

25th Annual Report 1980 Cyprus Telecommunications Authority

#### CYPRUS TELECOMMUNICATIONS AUTHORITY

Head Office, 121 Prodromos Street Nicosia 116 Post Office Box 4929 Telex 2288, 3288 Telegrams CYTA Nicosia Telephone 021 - 60200 4th September, 1981.

Your Excellency,

In compliance with Section 22 of the Telecommunications Service Law 1954 (Cap. 302), as amended by Laws 20/60, 34/62, 25/63 and 54/77, I have the honour and pleasure to submit, on behalf of the Board of the Cyprus Telecommunications Authority, its 25th Annual Report and Accounts for the year ended 31st December, 1980, together with a copy of the Auditor's Report.

Despite the very sad fact that about 40% of our country is still under Turkish occupation and control, following the Turkish invasion in mid-1974, and, because of it, a big proportion of the Authority's assets is outside its control, the year 1980, was another one of great progress and achievements in the development and modernization of our telecommunications network, both inland and external (overseas) to a level again comparable with that of the advanced countries of the world. This may be considered as the Authority's contribution towards the overall effort of our country for survival and progress. These achievements become obvious by what appears, in general and in detail, later in this Report.

It is suggested that particular attention be paid to the Introduction (pages 11 to 14) and especially to paragraphs (3) and (5), regarding the development of the External Telecommunications, and paragraph (4) regarding the Rural Development as well as the Government and Refugee Self-Housing Communities. It is suggested that attention be paid also to paragraph 9, page 14, regarding Finance.

Before concluding I would like to emphasize that the Board and I feel happy that during 1980 the excellent relations between the Authority and its Staff, which existed in 1979, continued and improved; and I would like to take this opportunity to pay tribute, on behalf of the Board and myself, to the efficiency and devotion to duty of the Executive and the Staff, which contributed so much to the Authority's achievements during the year.

Yours faithfully,

His Excellency,
The Minister of Communications and Works,
Mr. George Hadjicostas,
Nicosia.

N.S. Roussos, Chairman.

## CYPRUS TELECOMMUNICATIONS AUTHORITY

Chairman : N.S. Roussos, Civil Engineer,

Graduate of

Ethnicon Metsovion Polytechnion, Athens (Former Minister of Communications and Works)

Vice-Chairman: P.C. Manglis, Ph.D.

Members : C. Constantinides, Diploma in Engineering.

L. Tryfon, B. Com., B.A.

G.P. Cacoyiannis, M.A. (Oxon)

Barrister-at-Law.

Th. Aristodemou, Economist.

A. Malaos, M.A. (Development Economics).

Legal Adviser : A.C. Hadjioannou, Degree in Law (Athens University)

and Barrister-at-Law (Gray's Inn.)

Auditors : Scottis & Polydorides, Chartered Accountants.

## ADMINISTRATION

General Manager: A.N. Stylianides, B.Sc., M.-A.S.M.E.

| Secretary   | Chief Engineer   | Personnel<br>Officer | Chief<br>Accountant      | Telecommunications<br>Officer   |
|---|--|----------------------|--------------------------|---|
| S.A. Kokkinides,<br>ACIS, AMBIM,<br>Soc. Science &<br>Admin. Cert. L.S.E.<br>(University of London) | G. C. Papaioannou,<br>B.Sc. (Eng.)<br>C. Eng. F.I.E.E. | N. Markides.         | S. Modestou,<br>F.A.I.A. | A.Ch. Kritiotis,  (Assist. Telecommunications Officer) Physics and Electronics degree, Athens University. |

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| FAMAGUSTA | - Edisso  |                     | Tel. | 031-62500  |
| LARNACA   | — 7, Lord | d Byron Street      | Tel. | 041-52279  |
| PAPHOS    | - 36, Ad  | onis Street         | Tel. | 061-32148  |
| KYRENIA   | -5A, 28   | th October Avenue   | Tel. | 081-52438  |
| MORPHOU   | - 18, 25t | h March Street      | Tel. | 071-42055  |
| LEFKA     | — Lefka   |                     | Tel. | 078-17-459 |
|           |           |                     |      |            |

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## INTRODUCTION

- 1. The Cyprus Telecommunications Authority is a Public Corporation, established by Law 1954 (Cap 302), as amended by Laws 20/60, 34/62, 25/63 and 54/77 and it is answerable to the Council of Ministers, through the Minister of Communications and Works, whose power over its activities is regulated by the Amended Service Law No. 25 of 1963, Section 3. The Authority's main responsibility is, by virtue of the aforesaid Law, the provision, maintenance and development of a comprehensive telecommunications service, both local and overseas.
- 2. 1980 was a very busy year and the Authority's Board had sixteen meetings during which decisions were taken for the maintenance, improvement and expansion of the island's telecommunications services, both inland and overseas, in order to cope with an ever increasing demand. Special reference is made to the following:-

#### 3. Earth Satellite Station "MAKARIOS"

The construction of the above Station - with an Antenna towards the Atlantic Ocean - was completed in the first quarter of 1980 and by the end of the year it was operating satisfactorily with 51 international channels to five different countries. The Station is also used, on demand, for television transmission and reception, mainly of live events.

A further improvement of the international network will be the introduction of satellite via the Indian Ocean Region. This will be made possible with the planned Standard B - Antenna scheduled to operate in 1982.

#### 4. Rural Development

Substantial progress was made towards the provision of a full telecommunications service to rural areas. The Authority will actively pursue the implementation of the five-year plan already announced for the promotion of a full telecommunications service to rural areas and to this end Rural Exchange Buildings were completed in 1980 in the villages of Dheftera, Peristerona, Erimi, Evdhimou, Polis and Peyia.

Exchange buildings will be completed during 1981 in Kakopetria, Agros, Paralimni, Ormidhia and Mosphiloti.

Plans were finalized for provision of service to:

- a) Palechori, Mammari, Phini, Kato Platres, Athienou, Timi, Panayia, Ambelitis, Ayia Napa and Paralimni.
- b) Dheftera new industrial estate and Larnaca new extension of the industrial estate.
- c) Government and Refugee Self-Housing Communities at Strovolos I, Strovolos III, Ayios Georgios, Ayia Varvara, Ayios Pavlos, Apostolos

Andreas, Apostolos Loukas, Chrysospiliotissa, Archangelos Michael (Nicosia), Zenon (Larnaca), Kinyras (Paphos).

## 5. Greece-Cyprus Submarine Cable System - APOLLO

The contract for the supply of the submarine cable system "APOLLO" between Greece and Cyprus was awarded in 1980 to STC (Standard Telephones Cables U.K.). The system is a turn-key project with a capacity of 1380 channels of 4KHz bandwidth each and is expected to be operational in the third quarter of 1981, thus increasing substantially the Authority's number of international telephone and telex channels via cables.

### 6. Telephone Exchanges

Extensive work was done in all urban and rural exchanges so as to ensure availability of new connections, and the exchange required expansion and modernization for the further development of the service.

#### 7. Provision of services

The overall progress of the Authority in the provision of services is shown as hereunder:

## a. Telephone Service

6266 new telephones were installed bringing the total to 75,675.

Seventy additional public telephone-booths with fully automatic facilities for national and international communication were installed all over Cyprus.

Telephone traffic, national and international, increased by an average of 15% over that of the previous year.

## b. Telex service

The exchange was increased by 512 lines bringing the total capacity to 2560.

240 additional units were installed bringing the total number to 1734.

International traffic increased by 7% and national traffic by 24% words over that of 1979.

## c. Telegraph

International traffic increased by 4% and national traffic decreased by 2%. The volume of traffic was adversely affected by the great increase in the utilization of the telex service.

#### d. Telecast service

37 videocasts were effected amounting to 5,811 minutes.

This new service is provided to television broadcasts and video news agents for the transmission and/or reception of colour or black and white video programmes.

#### e. Facsimile (Radio Pictures)

4 pictures were received and 65 transmitted.

#### f. Broadcasts (local)

95 broadcasts were affected by the C.B.C., using the Authority's services.

#### g. Voicecasts

193 voicecasts were effected by foreign correspondents amounting to 9,032 minutes.

## h. Communication with ships at sea

147,038 radiotelephone calls lasting a total of 593,623 minutes and 19,043 radiotelegraph messages containing a total of 414,456 words were handled as part of the Authority's ship-to-shore service.

In addition 31 navigation warnings, 28 distress signals and 29 medico signals were handled.

#### i. Meteorological service

A reliable and continuous Mufax (reception of weather charts) service and fourth teleprinter circuits for the reception of meteorological bulletins from abroad were provided by the Authority for the Ministry of Agriculture and Natural Resources.

#### j. Civil Aviation Signals

Technical and operational services were provided to the Department of Civil Aviation for the running of all telecommunication facilities, both at Larnaca International Airport and the Nicosia Telecommunications Centre, in accordance with international standards.

#### k. Equipment for the Blind

The Authority in order to encourage the employment of blind operators, will not charge subscribers rentals for the use of special exchange equipment for the blind provided to them for this purpose.

This measure is considered by the Authority as a contribution to alleviate this social problem i.e. the employment of blind people.

#### 1. General

Extensive work was done to increase the capacity of the Island's telecommunications system generally, and to provide other subscriber's facilities (PABXs, switchboards, extensions, key systems etc.). Prompt and efficient services were also provided throughout the year to the Government, the National Guard and UNFICYP.

## 8. Relations with staff

Management/staff relations during the year were excellent and a new agreement was signed as a result of negotiations on Union claims (Appendix A page 50).

#### 9. Finance

- a. There was a net surplus of C£3,659,628 against C£2,643,415 in 1979 from the Authority's operations.
- b. The operating revenue was C£14,682,069 i.e. an increase of 20.7% over that of 1979.
- c. The net additions to fixed assets were C£3,937,391 (The 1979 figure was C£5,319,233).
- d. The cash position at the end of the year was C£4,229,105 against C£3,158,902 in 1979.

Surpluses together with suppliers' credit facilities, provide the finance for development of the Authority's services.

The Authority did its utmost to serve its prime obligation to the public, which is the provision of adequate and high quality telecommunications.

## 2. TECHNICAL SERVICES

#### A. GENERAL

The main task of the Authority's technical services during the year under review was, as always, to plan and programme their activities so as to satisfy, to the greatest possible extent, the demand for new inland and overseas telecommunication services and facilities and to improve and expand the existing ones.

However, the demand for telephone services during 1980 showed a marked increase over the last years and, in an effort to cope with this, special attention was paid to the following:-

- 1. The extension of the main exchanges and the construction of new ones as well as the expansion of the underground and overhead network, which were considered essential for coping effectively with the ever increasing demand for telephone services in the urban areas.
- The construction of new rural exchanges and the establishment and expansion of the rural network, within the framework of the programme for the implementation of the 4-year plan, aiming at the provision of a satisfactory telecommunications service for all rural areas of the island.
- 3. The establishment of new radio links between zone centres (through the new Radio Repeater Station at Mt. Kionia), which greatly increased the capacity of the inland telecommunications network and at the same time provided alternative routing for the national and international traffic.

## B. PLANNING AND DEVELOPMENT

In line with the Authority's policy for the continuous improvement of all existing services and facilities and the introduction of new ones, a number of plans and studies were made, specifications prepared, tenders invited and equipment ordered.

The main projects which were planned in 1980 are detailed below:-

## I. Local Telephone Exchanges

#### (a) Zone Main and Satellite Exchanges

The feasibility studies and the planning of a number of projects for the improvement and expansion of the telephone service continued in 1980.

As a result of these studies orders were placed for switching equipment, for the establishment of two new satellite exchanges at Latsia and Amathus, and for the further expansion of the Limassoi exchange.

Installation literature was also prepared for the installation of additional lines, already in stores, at the Larnaca, Limassol and Pallouriotissa exchanges.

The table below shows the planned increase of the main telephone exchanges:

| Exchange          | Existing<br>Lines<br>in 1980 | Under<br>Installation | Additional<br>lines on<br>order or<br>in stock | Planned<br>total<br>lines<br>in 1981 |
|-------------------|------------------------------|-----------------------|--|--------------------------------------|
| Nicosia           | 54,400                       | 2,600                 | 3,000  | 60,000                               |
| Famagusta         | 9,000                        |                       |  | 9,000                                |
| Larnaca           | 6,000                        | 3,000                 |  | 9,000                                |
| Limassol          | 20,000                       |                       | 7,000  | 27,000                               |
|                   | 4,000                        |                       | ""   | 4,000                                |
| Paphos<br>Morphou | 1,400                        |                       |  | 1,400                                |
| Kyrenia           | 1,400                        |                       |  | 1,400                                |
| Total             | 96,200                       | 5,600                 | 10,000   | 111,800                              |

## (b) Rural Exchanges

Additional plans were prepared for the further implementation of the four-year rural development plan. Among these are the establishment of six new rural exchanges at Palechori, Ormidhia, Mosphiloti, Ayios Nicolaos, Peyia and Statos - Ayios Photios, the replacement of the old equipment with a new crossbar type at Deftera, Kakopetria, Peristerona and Polis, and the increase in the capacity of lines of the Dhali, International Airport, Platres, Athienou, Paralimni and Timi ruraxes.

Orders were also placed for four new 600-line crossbar type rural exchanges and all necessary equipment for the further expansion of two existing rural exchanges.

The table below shows the planned increase of the rural exchanges including mobile exchanges:

| Zone      | Number<br>of Ruraxes | Existing<br>lines<br>in 1980 | Under<br>Installation | Additional<br>lines on<br>order or<br>in stock | Planned<br>total<br>number of<br>lines<br>in 1981 |
|-----------|----------------------|------------------------------|-----------------------|--|---|
| Nicosia   | 10                   | 1.850                        | 1,800                 | 1,100  | 4,750   |
| Famagusta | 6                    | 500                          |                       | 100  | 600   |
| Larnaca   | 6                    | 1,200                        |                       | 3,100  | 4,300   |
| Limassol  |                      | 1.070                        |                       | 1,960  | 3,030   |
| Paphos    | 5                    | 300                          |                       | 1,300  | 1,600   |
| Morphou   | 3                    | 400                          |                       |  | 400   |
| Kyrenia   | 2                    | 350                          |                       | 1,200  | 1,550   |
| Total     | 39                   | 5,670                        | 1,800                 | 8,760  | 16,230  |

### (c) International Telephone Exchange

In order to accommodate the projected international traffic, additional switching equipment for the international telephone exchange was ordered. Plans were also prepared for the introduction of new type of equipment required for international communications.

### (d) International/National Telex Exchange

An order for 512 additional telex lines was placed, bringing the capacity of the exchange to 2560 national and international lines.

#### (e) Subscribers Apparatus

### (i) Telephone Apparatus

After an invitation of international tenders, new types of telephones and P.A.B.X.s were introduced to the list of subscriber's apparatus offered by the Authority.

Among these are Key Telephone Systems and Stored Programme Controlled Private Automatic Branch Exchanges (P.A.B.X.s).

#### (ii) Telex Subscribers' Units

Specifications were prepared and International Tenders were invited for the supply of fully electronic telex subscribers' units.

#### (iii) Facsimile Units

International Tenders were also invited for the supply of this type of subscribers' units and this service is expected to be introduced by mid 1981.

#### II. National Communications Network

#### (a) Equipment on Order

New studies and plans were prepared for the expansion of the national and international network to satisfy the ever increasing demand for telephone and telegraph channels.

Based on these plans the following equipment was placed on order:-

- (i) One SHF radio system with the associated multiplex equipment for the Nicosia Kakopetria link.
- (ii) Four U.H.F. radio systems with the associated multiplex equipment for the Nicosia Dheftera, Dhali Kionia, Larnaca Ormidhia and Paphos Peyia links.
- (iii) Multiplex equipment for the Paralimni rurax.

## III. International Communications Network

(a) Greece - Cyprus Submarine Cable System - APOLLO

The contract for the supply of the submarine cable APOLLO between Greece and Cyprus was awarded in 1980 to STC, the successful tenderer after an international invitation for tenders in December 1979. The system which is a turn-key project has a capacity of 1380 channels of 4 kHz bandwidth each. This cable is expected to be operational in the fourth quarter of 1981.

## IV. Civil Aviation Telecommunications Services

As a result of the invitation of international tenders during the previous year, an order was placed for an I.L.S. (Instrument Landing System) to be installed at Larnaca International Airport.

## V. Meteorological Services

Studies were made and orders were placed for equipment to be used for the improvement of the meteorological services.

## VI. Line Plant Development

(a) Urban Development

Detailed plans were prepared for the development and extension of the underground and overhead networks of the towns of Nicosia, Limassol, Larnaca and Paphos.

(b) Rural Development

Further plans and estimates were prepared for the establishment or expansion of the telephone network in rural areas in accordance with the four year rural development plan.

Plans for the following villages were finalized:

Palechori, Mammari, Phini, Kato Platres, Athienou, Timi, Panayia, Ambelitis, Ayia Napa and Paralimni.

#### VII. Industrial Estates

All planning work was completed for the provision of telecommunication services to the industrial areas of:

- (a) Dheftera new industrial estate.
- (b) Larnaca new extension of the industrial estate.

## VIII. Government and Refugee Self-Housing Communities

(a) Plans and estimates were prepared for the cabling and/or provision of public telephone services at the following Government Communities for refugees:

(i) Nicosia Zone

Strovolos I, Strovolos III, Ayios Georgios, Ayia Varvara, Ayios Pavlos, Apostolos Andreas, Apostolos Loukas, Chrysospiliotissa, Archangelos Michael.

(ii) Larnaca Zone

Zenon.

(iii) Paphos Zone

Kinyras.

#### C. CONSTRUCTION

The construction of almost all engineering projects are undertaken by the personnel of the Authority. However, certain types of projects, such as the digging of holes for the erection of telephone poles, the excavation of trenches, the laying of ducts and the construction of manholes, are entrusted to local firms for execution.

During 1980 the following major projects were undertaken and executed by the Authority's personnel:

#### I. Telephone Exchanges

- (a) Local Exchanges
  - (1) Nicosia Exchanges
    - (i) Nicosia 'C' Main Exchange (Crossbar type)

A number of additional switching equipment was installed at this exchange to increase the intercommunication capabilities with other exchanges.

(ii) Pallouriotissa Satellite Exchange (Step-by-step type)

25% of the work for the installation of 2600 lines was completed in 1980. When the project is completed, the exchange will be equipped with 10,000 lines.

(2) Limassol Main Exchange (Crossbar type)

The work for the installation of 5,000 additional lines and common control equipment commenced in 1980. 20% of the project was completed by the end of the year and when fully completed the exchange will be equipped with 24,000 lines.

(3) Larnaca Main Exchange (Crossbar type)

Over 60% of the work for the installation of 3,000 lines and additional common control equipment in this exchange was completed in 1980.

## (b) International Telephone Exchange

The installation of additional trunk and switching equipment as well as echo suppressors, which commenced the previous year, was completed in 1980.

### (c) National Zone Centre Exchange

Work has commenced for the installation of equipment for the further expansion of this exchange as well as for the installation of additional interworking switching equipment with the International Telephone Exchange. The work is expected to be completed in 1981.

### (d) Rural Exchanges

## (i) Dheftera and Peristerona Ruraxes

Work has started for the installation of new 600 line crossbar type ruraxes at Dheftera and Peristerona. Both Ruraxes will be operational in 1981.

#### (e) Subscribers Private Exchanges

The demand for Private Automatic Branch Exchanges (P.A.B.X.s) continued in 1980. Fifty-seven PABXs were installed in various private business establishments all over Cyprus.

Comparative figures for the capacity of lines of the various main, rural and private exchanges for 1979 and 1980 are shown in the following table:-

|                          | 197      | 19       | 1980  |          |  |
|--------------------------|----------|----------|-------|----------|--|
| Туре                     | No.      | Capacity | No.   | Capacity |  |
| Zone main Automatic      | The same |          |       |          |  |
| Telephone Exchanges      | 7        | 77,700   | 7     | 78,800   |  |
| Zone Satellite Exchanges | 2        | 15,300   | 2     | 17,400   |  |
| Rural Exchanges          | 31       | 5,190    | 32    | 5,670    |  |
| Mobile Exchanges         | 2        | 700      | 2     | 700      |  |
|                          | 42       | 98,890   | 43    | 102,570  |  |
| Private Automatic Branch |          |          |       |          |  |
| Exchanges                | 382      | 15,065   | 439   | 15,915   |  |
| Private Manual Branch    |          |          |       |          |  |
| Exchanges                | 1,937    | 26,830   | 2,066 | 27,803   |  |

### II. Radio and Multiplex Equipment

The following radio and multiplex equipment was installed during 1980:

(a) New microwave radio links between Mt. Kionia Repeater Station and the zone centres of Nicosia, Limassol and Larnaca as well as the Satellite Earth Station and the Cyprus Broadcasting Corporation.

This new network supplements the existing one for the transmission of national and international traffic between these three zones. It also handles international traffic between the Nicosia zone centre and the Earth Satellite Station.

The link between Mt. Kionia and the Cyprus Broadcasting Corporation is used exclusively for television transmission and reception.

- (b) A new microwave radio link between Paphos and Kili to replace the existing valve operated obsolete system.
- (c) Additional multiplex equipment in all zone centres to cope with the increased demand for telephone channels, as follows:
  - (i) In the Nicosia zone centre, 600 additional channels were installed increasing the capacity by 53.2%. A total of 1,725 channels are now operational.
  - (ii) In the Limassol zone centre the capacity was increased by 42%, thus bringing the total from 432 to 612 channels.
  - (iii) In the Larnaca zone centre the channels were increased by 180, bringing the total to 432. This represents an increase of 71.5%.
- (d) Additional VFT systems at the Nicosia, Limassol and Paphos zone centres to provide additional telex channels for the inland and overseas telex services. The available channels were thus increased by 456, bringing the total to 2,841.

### III. Earth Satellite Station "MAKARIOS"

The construction of the earth satellite station was completed in the first quarter of 1980. It was put into commercial operation in May of the same year with 45 international telephone channels. By the end of 1980 the station was operating with 51 international channels to five different countries and is also used, on demand, for television transmission and reception, mainly of live events.

The station was inaugurated by His Excellency the President of the Republic, Mr. Spyros Kyprianou, on 12 September, 1980, in the presence of His Beatitude the Archbishop of Cyprus Chrysostomos, members of the Council of Ministers, members of the Diplomatic corps, the Chairman, members and senior officers of the Authority, representatives of the contractors and other distinguished guests.

### IV. Maritime Mobile Radio Equipment

For the improvement of the maritime mobile telephone and telegraph service, one additional HF Transmitter of 10 KW output power was installed at the Transmitting Station and thirteen new HF receivers, using modern design techniques, were installed at the Receiving Station.

#### V. Line Plant

During 1980, the underground cable network was further expanded. This necessitated the construction of additional manholes and the laying of ducts.

For the expansion of the overhead line network new pole routes were constructed.

The comparative tables below give an indication of the work done in 1980.

Table 1

| Management and American Americ | Unit  | 1977   | 1978   | 1979   | 1980   |
|--|-------|--------|--------|--------|--------|
| Manholes Constructed   | No.   | 189    | 135    | 288    | 389    |
| Duct lines laid  | Miles | 58.80  | 69.73  | 102.75 | 157.2  |
| Cable Laid   | Miles | 73.40  | 90.77  | 126.49 | 222.45 |
| Above cable in single wire   | Miles | 24,000 | 45,597 | 47,830 | 86,341 |
| Table 2  |       |        | 4000   |        | 400    |
|  | Unit  | 1977   | 1978   | 1979   | 1980   |
| Pole route installed   | Miles | 59     | 42     | 30     | 54     |
| Single wire installed  | Miles | 416    | 300    | 142    | 89     |
| Pole route overhauled  | Miles | 59     | 134    | 115    | 24     |
| Single wire overhauled   | Miles | 940    | 940    | 2,895  | 21     |
|  |       |        |        |        |        |

The growth of the underground and overhead wires run, since 1955, is shown on Graphs "A" and "B".

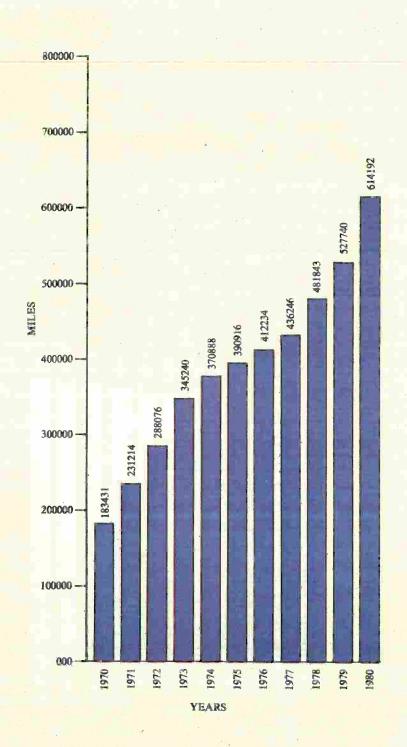
## VI. Communal Installations

Communal call offices were installed at the Dhali and Perachorio self-housing communities in 1980.

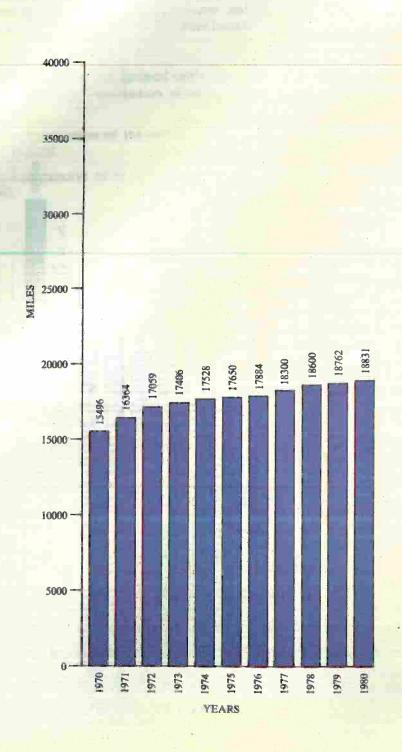
## (a) Coin Collecting Public Telephones

Seventy additional public booths with fully automatic coin accepting telephones capable of national and international communication were installed in 1980.

# GRAPH "A" UNDERGROUND CABLES SINGLE WIRE LAID



## GRAPH "B" OVERHEAD SINGLE WIRE MILEAGE INSTALLED



## VII. Subscribers Telephone Installations

The Authority's primary aim is to satisfy all applications received. However, in certain cases this is not possible for technical reasons, and the applications have to be put on the waiting list.

An indication of the applications received and installations effected is given below:

|                                  | 1977        | 1978   | 1979   | 1980   |
|----------------------------------|-------------|--------|--------|--------|
| Applications in hand as at       |             |        |        |        |
| lst January                      | 2,571       | 4,271  | 8,035  | 11,919 |
| New applications received during |             |        |        |        |
| the year                         | 3,821       | 11,712 | 13,758 | 15,896 |
| Applications for new direct      |             |        |        |        |
| exchange lines, released during  |             |        |        |        |
| the year                         | 6,333       | 7,126  | 8,683  | 8,404  |
| Applications cancelled during    |             |        |        |        |
| the year                         | 788         | 822    | 1,191  | 1,572  |
| Applications on the waiting list |             |        | 7,77   | _,     |
| as at the end of the year        | 4,271       | 8,035  | 11,919 | 17,839 |
| Installation removals            | 7 mg ar 7 m | 2,238  | 2,974  | 3,563  |
|                                  |             |        |        |        |
| Installation withdrawals         | -           | 894    | 1,007  | 1,382  |
| New Installations                | -           | 5,649  | 7,121  | 6,266  |

Note: Figures for the occupied areas are not included in the above table.

The growth in the direct exchange lines is shown on Graph "C".

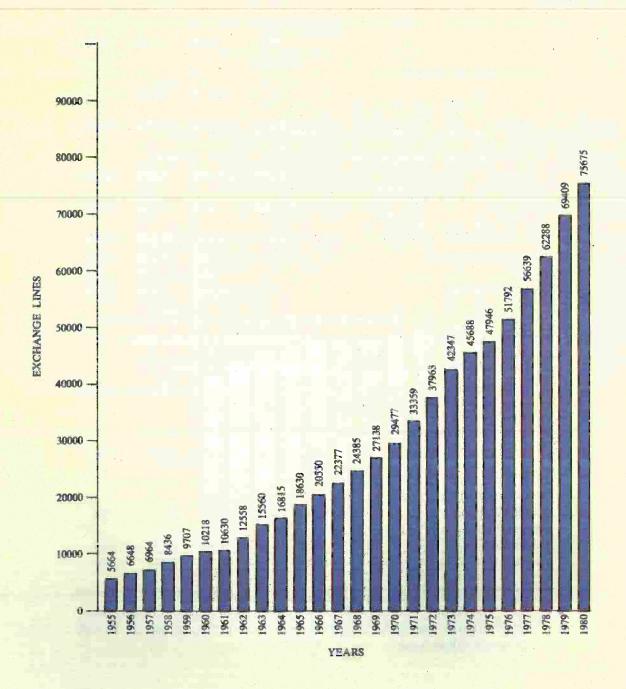
The table below shows the number of works orders executed at the various zones for telephone installations and associated works:

|                               | 1976  | 1977  | 1978  | 1979   | 1980   |
|-------------------------------|-------|-------|-------|--------|--------|
| Nicosia (including Kyrenia    |       |       |       |        |        |
| and Morphou)                  | 7,547 | 8,138 | 8,616 | 10,307 | 16,138 |
| Limassol (including Paphos    |       |       |       |        |        |
| and Platres)                  | 4,420 | 4,547 | 5,368 | 6,278  | 14,150 |
| Larnaca (including Famagusta) | 1,981 | 1,626 | 2,115 | 2,452  | 3,206  |

The Authority continued to provide its services to the Government, the National Guard, the United Nations Force in Cyprus and the British Sovereign Base Areas.

# GRAPH "C" GROWTH OF DIRECT EXCHANGE LINES

NOTE:
TURKISH OCCUPIED AREAS INCLUDED



#### VIII. Subscribers Telex Unit Installations

In 1980, the demand for telex units continued at the same rate as in the previous years. 240 new units were installed bringing the total number of telex subscribers connected on the telex exchange to 1,734 (77 in the Turkish occupied areas) (Graph "D").

The following table gives an indication of the movement of the applications received and applicants on the waiting list:

|                       |        |        |   | 1977 | 1978 | 1979 | 1980 |
|-----------------------|--------|--------|---|------|------|------|------|
| Applications in han   | d as   | at     |   |      |      |      |      |
| 1st January           |        |        |   | 130  | 3    | 27   | 39   |
| New applications rec  | eived  | durin  | g |      |      |      |      |
| the year              |        |        |   | 246  | 297  | 328  | 370  |
| Applications cancelle | ed     | 4.0    |   | 58   | 26   | 35   | 49   |
| Applications released |        |        |   |      |      |      |      |
| during the year       |        |        |   | 315  | 263  | 281  | 322  |
| Removals              |        |        |   | -    | 84   | 106  | 140  |
| Withdrawals           | 13     |        |   |      | 26   | 38   | 54   |
| New installations     |        |        |   |      | 204  | 253  | 240  |
| Applications on the   | waitir | g list |   | . 3  | 27   | 39   | 38   |

## IX. Civil Engineering Works and Buildings

(a) Mt. Kionia Repeater Station

The Construction of the Mt. Kionia Radio Repeater Station was completed in 1980.

(b) Telephone Exchange Buildings

The construction of the buildings of the following exchanges started in 1980.

(i) Latsia Satellite Exchange

This building will be completed in the first quarter of 1981.

(ii) Amathus Satellite Exchange

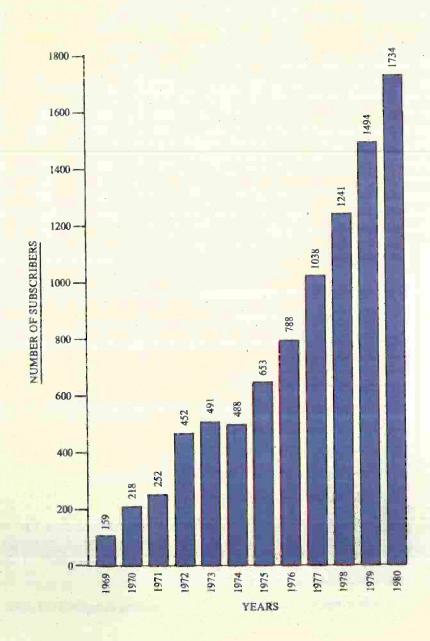
The completion of this building is expected during the third quarter of 1981; so that a very important tourist area will be supplied with adequate telephone and telex extensions.

(iii) Larnaca Main Exchange - Extension

The construction of the above building was completed in 1980.

# GRAPH "D" GROWTH OF TELEX SUBSCRIBERS

NOTE:- 77 IN TURKISH OCCUPIED
AREAS (INCLUDED)



## (c) Rural Exchange Buildings

- (i) The following buildings were completed in 1980 and handed over to the Authority by the contractors:-
  - (1) Dheftera
  - (2) Peristerona
  - (3) Erimi
  - (4) Evdhimou
  - (5) Polis
  - (6) Peyia
- (ii) The following buildings will be completed in 1981:-
  - (1) Kakopetria
  - (2) Agros
  - (3) Paralimni
  - (4) Ormidhia
  - (5) Mosphiloti

## COMPARATIVE CHART SHOWING TELEPHONES OF CYPRUS AND NEIGHBOURING COUNTRIES

As at 1.1.1980

|              |       |    |      |     |            | Telephones |           |
|--------------|-------|----|------|-----|------------|------------|-----------|
|              |       |    |      |     | No. of     | per 100    | Per Cent  |
|              |       |    |      |     | Telephones | Population | Automatic |
| CYPRUS       | .,    |    |      |     | 104,268    | 16.8       | 99.5      |
| Israel       |       |    |      |     | 1,081,480  | 28.2       | 100.0     |
| Iran         |       |    | #-6. | ••  | 730,000    | 2.2        | n.a.      |
| Iraq         | **    | ** |      |     | n.r.       | n.r.       | n.r.      |
| Kuwait       | **    |    | ••   | • • | 191,941    | 14.6       | 96.3      |
| Greece       |       | ** |      | **  | 2,664,050  | 28.2       | 99.4      |
| Turkey       | **    |    |      |     | 1,747,854  | 3.9        | 83.8      |
| Spain        | • •   |    |      | ••  | 11,107,624 | 29.4       | 97.4      |
| Bulgaria     |       |    | 4.   |     | n.r.       | n.r.       | n.r.      |
| Italy        | for a |    |      |     | 18,084,996 | 31.8       | 100.0     |
| Algeria      |       |    | ••   |     | 422,010    | 2.2        | 93.1      |
| Chechosloval | cia   | ** | ••   | ••  | 3,072,829  | 20.1       | 97.8      |
| Hungary      |       |    | ••   | ••  | 1,186,526  | 11.1       | 83.0      |
| Yugoslavia   |       |    | •    |     | 1,912,833  | 8.5        | 99.3      |

Total number of telephones in the world as at 1st January 1980 was 472,136,789.

## TELEPHONES IN THE PRINCIPAL CITIES OF THE NEIGHBOURING COUNTRIES

|                 |       |     |     |    | No. of<br>Telephones | Population (thousands) | Telephones<br>per 100<br>Population |
|-----------------|-------|-----|-----|----|----------------------|------------------------|-------------------------------------|
| Nicosia (A)     |       | ••  |     |    | 51,600               | 135.0                  | 38.2                                |
| Tel Aviv (Great | ater) | (A) |     | •• | 456,196              | 965.0                  | 47.3                                |
| Kuwait(A)       |       |     |     |    | 191,941              | 1,320.0                | 14.5                                |
| Athens (A)      | **    |     |     |    | 1,245,354            | 2,800.0                | 44.5                                |
| Ankara (B)      |       |     |     |    | 343,192              | 2,197.0                | 15.6                                |
| Beograd         |       |     | • 4 |    | 294,662              | 1,400.0                | 21.0                                |
| Sofia (A)       |       |     |     |    | n.r                  | n.r.                   |                                     |
| Madrid (B)      |       |     |     | L  | 1,847,439            | 3,232.3                | 57.2                                |
| Roma (A)        |       |     |     |    | 1,584,415            | 2,945.0                | 53.8                                |
| Alger           |       |     |     |    | 139,860              | 1,360.0                | 10.3                                |
| Praha (B)       |       |     |     |    | 604,589              | 1,193.0                | 50.7                                |
| Budapest (A)    |       |     |     |    | 634,774              | 2,060.0                | 30.8                                |
| Tehran          |       |     |     |    | 417,789              | 5,500.0                | 7.6                                 |
| Baghdad         |       | ••  |     | •• | n.r.                 | n.r.                   |                                     |

Note: The above information was obtained from "The World's Telephones" which is compiled and circulated by the American Telephone and Telegraph Company. The number of telephones shown also comprises the extensions.

Note: A — The exchange serves the entire city, and also serves beyond the city.

- B The exchange serves the entire city but not beyond it.
- n.a. Data not available.
- n.r. Non-reporting.

## D. MAINTENANCE

#### I. General Maintenance

The maintenance of telecommunication services offered by the Authority was of a high standard due to the efforts of the staff of the Authority to implement strict maintenance procedures for all categories of equipment.

#### II. Preventive Maintenance

For the maintenance of the Strowger Exchanges the recommendations of the B.P.O. are adopted whereas for the Crossbar Exchanges those of the Japanese Post Office (N.T.T.P.C.).

For the rest of the equipment the recommendations of the manufacturers are followed.

Routine maintenance was carried out systematically throughout 1980.

## III. Workshops

The Authority continue to maintain its engineering workshops for general repair work and construction/assembly of various items. These are divided into three sections, namely the General Workshop, the Electronic/Teleprinter Workshop and the Electromechanical Workshop.

The General Workshop is responsible for the repair of telephone sets and their accessories, switchboards, battery eliminators and other associated miscellaneous items, the repair and construction of various metallic and wooden items, and the painting and renovation of the Authority's buildings.

The main line of activities of the Electronic/Teleprinter Workshop is the testing and maintenance of electronic coin collecting boxes, electronic teleprinters, push button telephones as well as other complicated electronic equipment. Research and development, by utilizing modern techniques, is also being carried out for the construction and assembly of special types of equipment required by the Authority.

The Electromechanical Workshop is engaged in the maintenance of standby power equipment, air conditioning systems, and other miscellaneous electromechanical equipment belonging to the Authority. Bench work with regard to many electrical appliances, as rewiring of relay coils, transformers, etc. is also carried out by the Workshop.

#### IV. Transport

The Authority maintains its own fleet of all types of vehicles, essential for the mobility of its staff and equipment. A total of 193 vehicles were in use during 1980.

The table below gives comparative figures for miles run during the last four years:

|           | 1977      | 1978      | 1979 1980 |           |  |
|-----------|-----------|-----------|-----------|-----------|--|
| Miles run | 1,031,000 | 1,104,900 | 1,210,570 | 1,338,800 |  |

The Authority runs its own garage repair service.

#### E. GENERAL TELECOMMUNICATIONS FACILITIES

## I. Broadcasts (local)

Among the services provided by the Authority are full facilities to the Cyprus Broadcasting Corporation for effecting outside local broadcasts (live programmes) from any point in the island. Such broadcasts include church services, theatrical performances, public speeches, voicecasts, football matches, etc.

During 1980, 95 such outside broadcasts were effected by using the Authority's network.

#### II. Voicecasts

Voicecast facilities constitute another of the services offered by the Authority. The demand for these facilities, which are usually used by foreign correspondents to cover news reports for their newspapers or football matches, showed a decline in 1980.

The following table gives comparative figures for the past four years:

|            | 1977   | 1978   | 1979   | 1980  |
|------------|--------|--------|--------|-------|
| Voicecasts | 483    | 253    | 193    | 113   |
| Minutes    | 44,336 | 11,919 | 10,533 | 9,032 |

#### III. Telecast Service

This new service is offered to television broadcasters and video news agents for the transmission and/or reception of colour or black and white video programmes via the Satellite Earth Station "MAKARIOS" to or from any country served by the Intelsat Atlantic Region Satellite.

The table below gives an indication of the use made of this service:

|                         | Transmission | Reception |  |  |
|-------------------------|--------------|-----------|--|--|
| Bookings                | 26           | 38        |  |  |
| Materialized videocasts | 20           | 37        |  |  |
| Minutes                 | 265          | 5,811     |  |  |

#### IV. Facsimile (Radio Pictures)

The demand for this service is relatively limited.

The table below gives comparative figures over the past four years:

|                      | 1977 | 1978 | 1979 | 1980 |
|----------------------|------|------|------|------|
| Pictures received    |      | 6    | 1    | 4    |
| Pictures transmitted | 167  | 137  | 62   | 65   |

## V. Communication with Ships at Sea (Maritime Mobile Services)

Radiotelephony and radiotelegraphy are facilities offered by the Authority as part of the Ship-Shore Service. With the installation of new, modern, high frequency transceivers and the improvement of the quality of service, the traffic handled by the "Cyprus Radio" coast station has shown a considerable increase.

The following table shows the comparative figures for traffic handled over the last four years:

| Telephony  | 1977    | 1978    | 1979    | 1980    |
|------------|---------|---------|---------|---------|
| Calls      | 73,993  | 86,878  | 103,631 | 147,038 |
| Minutes    | 310,181 | 357,648 | 429,641 | 593,623 |
| Telegraphy | 1977    | 1978    | 1979    | 1980    |
| Telegrams  | 9,641   | 11,481  | 12,834  | 19,043  |
| Words      | 185,978 | 225,192 | 260,785 | 414,456 |

Graph "E" shows the Ship-Shore RT/WT traffic since 1970.

In addition the following emergency traffic was handled during the year:

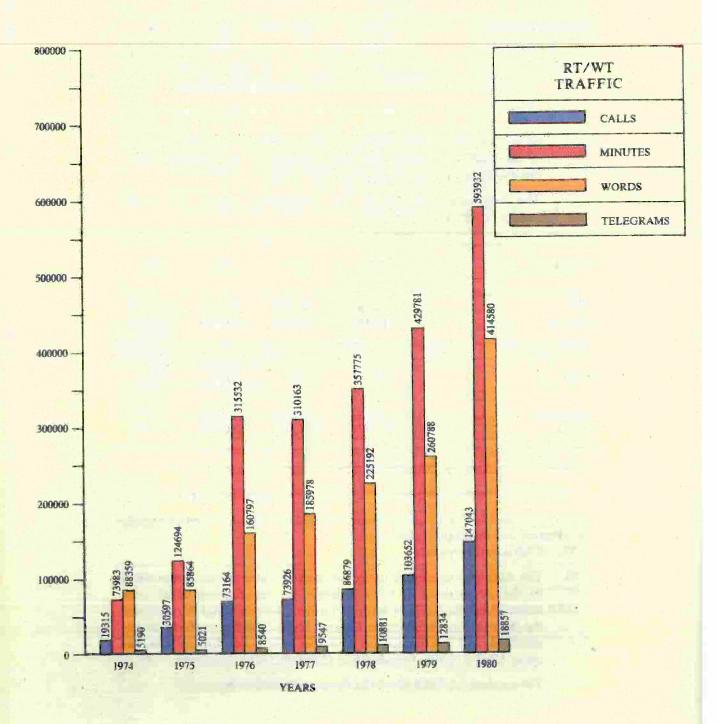
31 Navigational Warnings, 28 Distress/SOS Signals and 29 Medico Signals (Request for medical help or advice).

#### VI. Civil Aviation Signals

The Authority continued to provide technical and operational services to the Department of Civil Aviation for the running of all telecommunication facilities both at Larnaca International Airport and the Nicosia Communication Centre. These facilities conform to the standard and Recommended Practices laid down by the International Civil Aviation Organization (I.C.A.O.).

The services rendered, analytically, were the following:

GRAPH "E SHIP/SHORE



- (a) Radiotelephone communication over VHF and UHF frequencies with aircraft in flight within the Cyprus Flight Information Region (F.I.R.).
- (b) Telephone communication between the Nicosia Air Traffic Control Centre (A.T.C.C.) and the Control Centres of Larnaca, Athens, Beirut, Tel-Aviv, Cairo and Akrotiri Airports.
- (c) Communication between Larnaca Control Tower and aircraft for approach and landing and take-off purposes.
- (d) Radio Air Navigational Aids for the use of civil aircraft in the form of a VHF Omni Range System (V.O.R.), Distance Measuring Equipment (D.M.E.) and two non-directional Radio Beacons located at Dhekelia and Pervolia village. In addition to the above, VHF Direction Finder (D.F.) equipment is available to provide bearings information to the Air Traffic Control personnel.
- (e) VOLMET service which transmits continuous weather reports from Nicosia for use by aircraft in flight within the Cyprus Flight Information Region.
- (f) Fully automatic and computerised telegraph communication within the Aeronautical Fixed Telecommunications Network (AFTN) to the airports of Athens (3 channels), Tel-Aviv (1 channel) and Beirut (2 channels).

Apart from the above overseas circuits, seven local telegraph circuits were also provided through the AMSC for communicating with:

Nicosia Area Control Centre

Nicosia Civil Aviation Department Offices

Larnaca Airport Civil Operations

Larnaca Airport Control Tower

Larnaca Airport Meteorological Office

Akrotiri Airport.

The following table shows comparative figures for aggregate received and transmitted traffic over the last four years:

At the invitation of the International Civil Aviation Organization, the Cyprus Government has nominated a CYTA Engineer as the twelfth member of ADISP (Automated Data Interchange Systems Panel). The object of this Panel is to undertake studies and make recommendations related to the technical aspects of data interchange in the Fixed and Mobile Aeronautical Services. One panel meeting and four working group meetings were attended by the nominee during 1980.

## VII. Meteorological Service

A reliable and continuous Mufax (reception of weather charts) service and four teleprinter circuits for the reception of meteorological bulletins from abroad were provided by the Authority for the Ministry of Agriculture and Natural Resources.

## 3. INTERNATIONAL NETWORK AND SERVICES OPERATION

#### I. GENERAL

During the year under review, the International Network, including all circuits with foreign countries, continued its expansion in order to cope with the increasing demand for all services. New routes, more circuits and the further introduction of automatic mode of operation for all services were ensured for the provision of secured, high quality and smooth flow of traffic with the rest of the world.

#### II. INTERNATIONAL NETWORK

With the Introduction of the Earth Station "MAKARIOS", the International Network was greatly improved.

The Earth Station was commissioned in May 1980 and direct satellite circuits were gradually introduced with the following countries:

| U.K.       | (28 circuits) |
|------------|---------------|
| W. GERMANY | (8 circuits)  |
| FRANCE     | (7 circuits)  |
| U.S.A.     | (6 circuits)  |
| CANADA     | (2 circuits)  |

All the above circuits are of great importance since they also provide diversity with most of the major streams, thus substantially improving the quality of service.

The other four international facilities, linking Cyprus with the rest of the world, which continued to operate satisfactorily during 1980, were:

| APHRODITE Submarine Cable System     | Cyprus - Greece  | (480 | circuits) |
|--------------------------------------|------------------|------|-----------|
| TROPOSPHERIC Scattering Radio System | Cyprus - Greece  | (120 | " )       |
| ADONIS Submarine Cable System        | Cyprus - Lebanon | (240 | " )       |
| UHF Radio System                     | Cyprus - Israel  | (48  | " )       |

Due to the continuously increasing demand for international traffic and the consequent increase in the demand, the above facilities were working at almost full capacity and were serving:-

- a) Public traffic with : 375 circuits
- b) Traffic transmitting from Cyprus with: 408 circuits (used by foreign Administrations on either lease or IRU basis)
- c) Privates with : 37 circuits

leaving only 68 spare circuits on all four facilities, 42 of which are on the Tropospheric Scatter to be used as a standby facility only.

In view of the above, the need for new facilities became obvious and the Authority decided the laying of an additional Submarine Cable System "APOLLO" of 1380 channels capacity, linking Cyprus with Greece. This System will be jointly owned by CYTA (Cyprus) and OTE (Greece) on a 50/50 basis and it is expected to operate by the end of 1981. The extension beyond Greece will be made possible with the acquisition of Indefeasible Rights of Use (IRU's) for the "ARTEMIS" Cable System (Greece-France), which is also planned for operation by the end of 1981.

The high capacity of the "APOLLO" Cable will not only satisfy our future requirements in international circuits, but will also serve as, an alternative in case of breakdowns of other systems.

Finally a further improvement to the International Network will be the introduction of a satellite service in the Indian Ocean Region. This will be made possible with the planned Standard B Antenna scheduled for operation by mid 1982.

Schematic analysis of the International Network is shown in the diagram on pages 40 and 41 indicating each direct route, segment by segment, and the number of circuits per service on each segment.

#### III. TELEPHONE SERVICE

The National and International Telephone Services were carried out efficiently and satisfactorily during the year under review and provided an improved overall quality of service. About 92% of the international traffic was dialled directly by the subscribers.

The upward trend experienced in recent years continued in 1980 also, for both traffic and circuits. The traffic volume showed an overall increase of 15% over the previous year for both inland and international traffic as shown in Table A. On the other hand the number of international telephone circuits increased from 339 to 408 or by 20% during 1980 (see Table B).

By the end of 1980, International Subscriber Dialling (ISD) service was available with 65 countries and service through the operator for the rest of the world (see Table C).

| TABLE A | TRAFFIC |
|---------|---------|
|         | IKATIC  |

| SERVICE   | 1978                   | 1979                  | 1980                  | 1980/79<br>Growth % |
|---|------------------------|-----------------------|-----------------------|---------------------|
| INTERNATIONAL (Outgoing)                              |                        |                       |                       |                     |
| ISD calls (Minutes) Through operator (Minutes)        | 7,803,418<br>598,313   | 9,915,682<br>697,050  | 11,196,885<br>965,798 |                     |
| INLAND Dialled calls (Units) Through operator (Calls) | 238,214,942<br>142,166 | 282,672,548<br>25,912 | 323,877,735<br>26,398 |                     |

TABLE B
INTERNATIONAL TELEPHONE CIRCUITS

| COUNTRY      |     |      |     |     |      | 1978     | 1979 | 1980 |
|--------------|-----|------|-----|-----|------|----------|------|------|
| AUSTRALIA    |     | ,,   |     |     |      | 2        | 7    | 9    |
| AUSTRIA      |     | **   | **  | *** | .0.0 | 9        | 11   | 11   |
| CANADA       | ••  | ** . |     | .,  |      | 4        | 4    | 6    |
| FRANCE       |     |      | .,  |     | • •, | 14       | 14   | 21   |
| GERMANY F.R  |     | ••   | •,  |     | 9,0  | 15       | 20   | 24   |
| GREECE       | ••  |      | ••  | **  | 4,0  | 112      | 114  | 128  |
| ISRAEL       | **  |      | .,  | • • |      | 12       | 12   | 12   |
| ITALY        | • • |      | **  |     |      | 10       | 10   | 10   |
| LEBANON      |     | **   | •   |     |      | 28       | 28   | 34   |
| LIBYA        | • • | ••   |     | **  |      | -        | 1    | 1    |
| SOUTH AFRICA | Α   |      | 45  |     | 0.0  | The same | 4    | 4    |
| SWEDEN       |     |      | 4.0 |     | 4.0  | 6        | 8    | 8    |
| U.K.         | L   | 9.0  | ,,  | **  | ,    | 88       | 97   | 128  |
| U.S.A        |     |      | 140 |     |      | 8        | 9    | 12   |
| TOTAL        |     |      |     |     |      | 308      | 339  | 408  |

TABLE C

#### CYPRUS ON THE GLOBAL TELEPHONE NETWORK

|                |          | NUMBER OF COUNTRIES |      |          |      |      |     |  |  |
|----------------|----------|---------------------|------|----------|------|------|-----|--|--|
| SERVICE        | OUTGOING |                     |      | INCOMING |      |      |     |  |  |
|                | 1978     | 1979                | 1980 | 1978     | 1979 | 1980 |     |  |  |
| ISD            |          | 61                  | 62   | 65       | 27   | 30   | 33  |  |  |
| Semi-Automatic |          | 9                   | 10   | 13       | 16   | 23   | 26  |  |  |
| Manual         | • •      | 72                  | 70   | 64       | 99   | 89   | 83  |  |  |
| TOTAL          |          | 142                 | 142  | 142      | 142  | 142  | 142 |  |  |

## IV. TELEX SERVICE

The upward trend in the last few years continued in 1980, for both traffic and circuits, but at a relatively lower rate. The increase in international traffic was (in minutes) 7% and in national traffic 24% over that of 1979.

Likewise, the increase in the number of direct international circuits was lower in 1980 (3.6%) than in 1979 (16%). The countries with which direct Telex Service operated and the number of circuits over the last 3 years are shown in Table B.

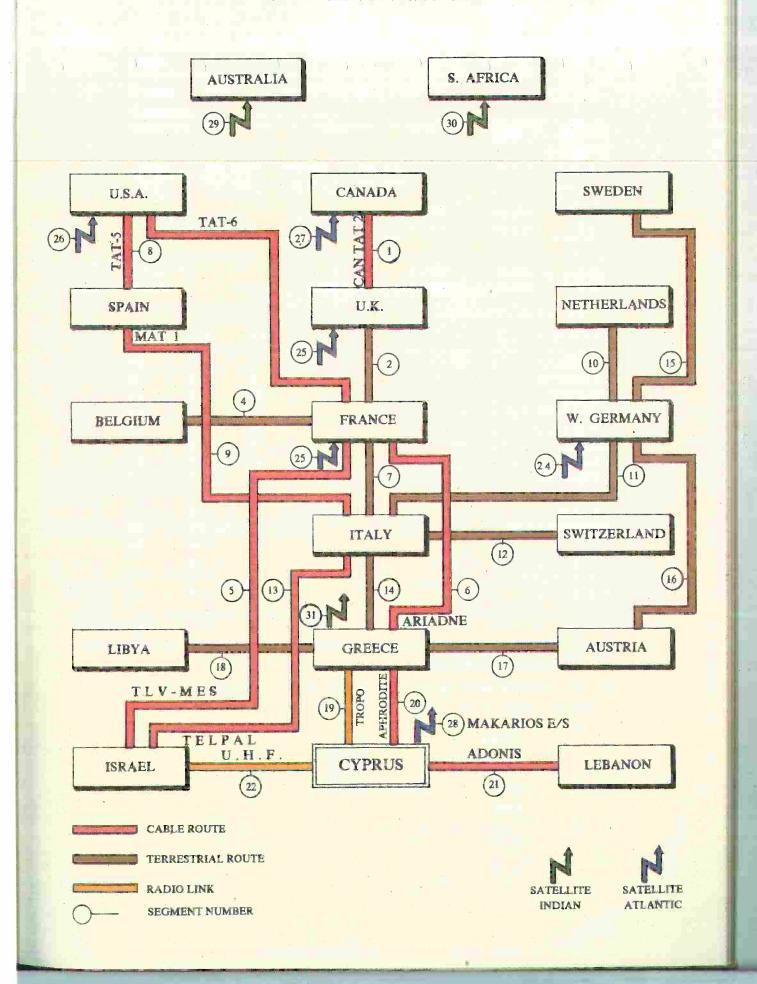
Automatic Telex service, during the year under review, was available with 145 countries compared to 104 in 1979.

| DIRECT CIRCUITS PER COUNTRY |        |      |     |           |     |     |        |     |      |       |     |       |        |
|-----------------------------|--------|------|-----|-----------|-----|-----|--------|-----|------|-------|-----|-------|--------|
|                             |        |      | Ť   | ELEPHO    | NE  |     |        | · v |      | TELEX | TG  | LEASE |        |
|                             | AUTO   |      |     | SEMI      |     | M   | LEASE  | F   | AUTO |       |     | M     | PRIVAT |
| 1                           | O/G    | I/C  | B/W | O/G       | I/C | B/W | PRIVAT | , i | O/G  | I/C   | B/W | B/W   | 1      |
| AUSTRALIA                   |        |      | 9   |           |     |     |        |     |      |       |     |       |        |
| AUSTRIA                     | 8      | 3    |     |           |     |     |        | 1   |      |       | 10  |       | 1      |
| BELGIUM                     |        |      |     | 2 A 354 Y |     |     |        |     | 4.   | 5     |     |       |        |
| CANADA                      | 10,2 7 |      | 6   |           |     |     |        |     |      |       |     | 1     |        |
| FRANCE                      | _ 6    | 1.8  | 7   |           |     |     | 3      | 1   | 6    | 7     |     | 1     |        |
| GERMANY W.                  | 8      | 7    | 8   |           |     | 1   |        | 1   | 7    | 8     |     | 1     | 1      |
| GREECE                      | 51     | 59   |     | - 8       | 7   | 3   | .1     | 3   | - 11 | 14    |     | 1     | 7      |
| ISRAEL                      | 6      | 6    |     |           |     |     |        | 1   | 4    | 4     |     | 1     | 2      |
| ITALY                       | 5      | 3    |     |           |     | 2   |        | 1   | 12   | 5     |     | 1     |        |
| LEBANON                     | 14     | - 11 |     | 3         | 3   | 3   |        | 1   | 4    | 3     |     | 1     | 2      |
| LIBYA                       |        |      |     |           |     | 1   |        |     |      |       |     |       |        |
| NETHERLANDS                 |        |      |     |           |     |     |        |     | 3    | 4     |     |       |        |
| S. AFRICA                   |        |      | 4   |           |     |     |        |     |      |       |     |       |        |
| SWEDEN                      | 6      |      |     |           | 2   |     |        |     |      |       | 4   | 1     |        |
| SWITZERLAND                 |        |      |     |           |     |     |        | 1   | 6    | 6     |     |       |        |
| U.K.                        | 40     | 60   | 28  |           |     |     | - 2    | 3   | 28   | 26    |     | 1     | 2      |
| U.S.A.                      |        |      | 12  |           |     |     |        | 1   |      |       | 21  |       | 1      |
|                             |        |      |     |           |     |     |        |     |      | 7     |     |       |        |
| TOTAL                       | 144    | 157  | 74  | 11        | 12  | 10  | 6      | 14  | 85   | 82    | 35  | 9     | 15     |

| SEGMENT<br>NUMBER |      | CIRCUITS PER SEGMENT |    |   |  |      |       |               |    |             |             |          |     |  |
|-------------------|------|----------------------|----|---|--|------|-------|---------------|----|-------------|-------------|----------|-----|--|
|                   |      |                      | 4  |   |  |      |       | T 10 .03 .003 |    |             |             | 1        | -   |  |
| 2                 | 40   | 61                   | 4  |   |  |      | 2     | 3             | 28 | 26          |             | 2        |     |  |
| 3                 |      |                      | 5  |   |  |      |       | 1             |    |             | 21          |          |     |  |
| 4                 |      |                      |    |   |  |      |       |               | 4  | 5           |             |          |     |  |
| 5                 |      | 1                    |    |   |  |      |       |               |    |             |             |          |     |  |
| 6                 | 18   | 12                   | 9  |   |  |      | 1     | 5             | 38 | 38          | 21          | 3        |     |  |
| 7                 | 28   | 56                   |    |   | ,  |      | 4     |               |    |             |             |          |     |  |
| 8                 |      |                      | 1  |   |  |      |       |               |    |             |             |          |     |  |
| 9                 |      |                      | 1  |   |  |      |       |               |    |             |             |          |     |  |
| 10                |      |                      |    |   |  |      |       |               | 3  | 4           |             |          |     |  |
| 11                | 6    | 4                    |    |   |  | 1    |       | Ĺ             | 10 | 12          |             | 1        | ٠.  |  |
| 12                |      |                      |    |   |  |      | 20.00 | 1             | 6  | 6           |             |          |     |  |
| 13                | 6    | 6                    |    |   |  |      |       |               |    |             |             |          |     |  |
| 14                | 33   | 57                   | 1  |   |  | . 3  | 4     | 3             | 28 | 23          |             | 2        |     |  |
| 15                | 6    |                      |    |   | 2  |      |       |               |    |             | 4           | 1        |     |  |
| 16                | 8    | 2                    |    |   | 2  |      |       |               |    | 11 (200     | 4           | 1        |     |  |
| 17                | 16   | 5                    |    |   | 2  |      |       | 1             |    |             | 14          | 1        |     |  |
| 18                |      |                      |    |   |  | 11   | _     | No. 1994      |    |             | 2012        |          |     |  |
| 19                | . 17 | 31                   |    | 1 | 2  | 3    |       |               |    |             |             |          |     |  |
| 20                | 101  | 102                  | 23 | 7 | 7  | 4    | - 6   | 12            | 77 | 75          | 35          | 7        |     |  |
| 21                | 14   | 11                   |    | 3 | 3  | 3    |       | 1             | 4  | - 3         |             | 1        | 100 |  |
| 22                | 12   | 13                   |    |   |  |      |       | 1             | 4  | 4           | - C - Q-T-p | 1        |     |  |
| 23                |      |                      | 28 |   |  |      |       |               |    | A. Carlotte |             |          |     |  |
| 24                |      |                      | 8  |   |  |      |       |               |    | 1 . N       |             |          |     |  |
| 25                |      |                      | 7  |   | 7 (1) (1) (2) (2) (2) (2) (2) (2) (2) (2) (2) (2 |      | 70.00 |               |    |             |             |          |     |  |
| 26                |      |                      | 6  |   |  |      |       |               |    |             |             |          |     |  |
| 27                |      |                      | 2  |   |  |      |       |               |    |             |             |          |     |  |
| 28                |      |                      | 51 |   |  |      |       |               |    |             |             |          |     |  |
| 29                |      |                      | 9  |   |  |      |       |               |    |             |             |          |     |  |
| 30                |      |                      | 4  |   |  | 12.1 |       |               |    | 100         |             |          |     |  |
| 31                |      |                      | 13 |   | 1  |      |       | Burney Street |    | N           | 10000       | li e e e |     |  |

Main L

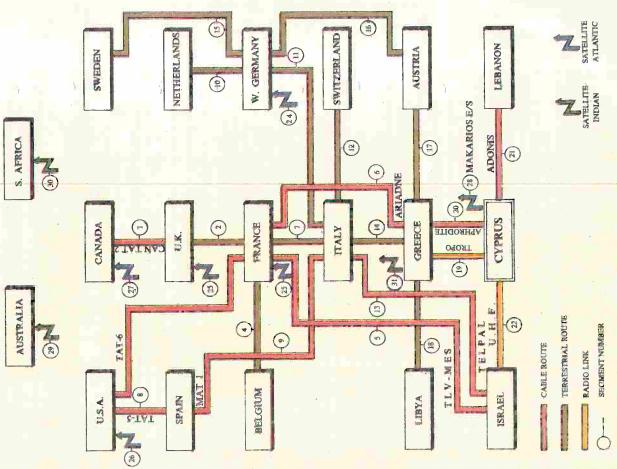
# CYPRUS INTERNATIONAL NETWORK AS AT 31ST DECEMBER 1980



|              |     |      | - Page 2 | DIREC     | TCH  | COLL | S PER   | DIRECT CIRCUITS PER COUNTRY | rry |       |        |      |        |
|--------------|-----|------|----------|-----------|------|------|---------|-----------------------------|-----|-------|--------|------|--------|
|              |     |      | F        | TELEPHONE | NE   |      |         | >                           |     | TELEX |        | 11G  |        |
|              |     | AUTO |          | 器         | SEMI | M    | Y CA GD | in t                        |     | AUTO  |        | M    | PRIVAT |
|              | 9/0 | 3/1  | W/8      | 0/0       | Ne   | B/W  | PETVA   | and the                     | 9/0 | 1/C   | B/W    | B/W  |        |
| AUSTRALIA    |     |      | Ø.       |           |      |      |         |                             |     |       |        |      |        |
| AUSTRIA      | 00  | 5    |          |           |      |      |         | 1                           |     |       | 10     |      |        |
| BELGIUM      |     |      |          |           |      |      |         | Yelli i                     | 4   | 2     |        | 7111 |        |
| CANADA       |     |      | . 9      |           |      |      |         |                             |     |       |        | -    |        |
| FRANCE       | 9   | 96   | 6        |           |      |      | 3       |                             | 9   | 7     |        | -    |        |
| GERMANY W.   | oci | 7    | 80       |           |      | ī    |         | 1                           | 7   | 00    |        | -    | 17     |
| GREECE       | 35  | 56   |          | op.       | 7    | 6    |         | 3                           |     | 14    |        |      | 2      |
| ISBAEL       | 9   | 9    |          |           |      | 4    |         |                             | u   | 4     |        | -    | 2      |
| ITALY        | 5   | Est. |          |           |      | 7    |         | -                           | 12  | S     |        |      |        |
| LEBAMON      | 14  | П    |          | 193       | 613  | 1.3  |         |                             | ¥   | 3     | grain) | -    | 2      |
| LIBYA        |     |      |          |           |      | ered |         |                             |     |       |        |      |        |
| NETHERI ANDS |     |      |          |           |      |      |         |                             | 3   | 4     |        |      |        |
| S. AFRICA    |     |      | 4        |           |      |      |         |                             | \   |       |        |      | - 31   |
| SWEDEN       | 9   |      |          |           | c    |      |         |                             |     |       | 4      | -    |        |
| SWITZERLAND  |     |      |          |           |      |      |         | -                           | 9   | 9     |        |      |        |
|              | 9   | 09   | 13       |           |      |      | 2       | 3                           | 28  | 26    |        |      | 2      |
|              |     |      | 21       |           |      |      | 9124    | -                           |     |       | 21     |      |        |
|              |     |      |          |           |      |      |         |                             |     |       |        |      |        |
|              |     |      |          |           |      |      |         |                             |     |       |        | 3    |        |
| TOTAL        | 144 | 157  | 1/6      |           | 1.0  | 10   |         | 17                          | 20  | 60    | 36     | o    | 5.1    |

|                      |   | 26 2 2 | 7  | . 5 |    | 38 21 3 3 |     |    |     | 4     | 12 1 1 | 9   |    | 23 2 1 1 |    | 4 1 |    |     |     | 75 35 7 7 11 |     | 4  |    |     |       |    |    | AND THE RESERVE OF THE PERSON NAMED IN COLUMN TO THE PERSON NAMED |    |      |      |
|----------------------|---|--------|----|-----|----|-----------|-----|----|-----|-------|--------|-----|----|----------|----|-----|----|-----|-----|--------------|-----|----|----|-----|-------|----|----|---|----|------|------|
| SEGMENT              |   | 3. 28  |    | 4   |    | 5 38      |     |    |     | 60    | 1 10   | 9 [ |    | 3 28     |    |     | -  |     |     | 17 12        | 1 4 | 18 |    |     | l for | 0  |    | 35.7  |    |      |      |
| CIRCUITS PER SEGMENT |   | 2      |    |     |    |           | T T |    | die | Note: |        |     |    | 3 4      |    | 900 |    |     | 3   | 4 6          |     |    |    |     |       |    |    |   |    |      |      |
| CI                   |   |        |    |     |    |           |     |    |     |       |        |     |    |          | 2  | 2   | 2  |     | 1 2 | 7 7 7        | 3   |    |    | 4   |       |    |    |   |    |      |      |
| Month.               | 4 | ¢. 19  | )n |     |    | 6 21      | 90  | -  | -   |       | *      |     | 9  | 57 1     |    | 2   | 3  |     | 31  | 102 23       | 11  | 13 | 28 | 00. |       | 9  | 2  | 5.1   | 6  | 9    | 2 44 |
|                      |   | 3      |    |     |    | 16        | 200 |    |     |       | 9      |     | 9  | 33       | 9  | 00  | 16 |     | 17  | 301 16       | 14  | 17 |    |     |       |    |    |   |    | eins |      |
| NUMBER               |   | 2      | 3  | 4   | .5 | 9         | 7   | do | 6   | 10    | 17     | 12  | 13 | Z        | 15 | 91  | 17 | 1.8 | 67  | 20           | 21  | 22 | 23 | 24  | 25    | 28 | 27 | 28  | 52 | 30   | -    |

# CYPRUS INTERNATIONAL NETWORK AS AT 31ST DECEMBER 1980



| SERVICE    | ā    |    | 1978      | 1979      | 1980      | 1980/79<br>Growth % |
|------------|------|----|-----------|-----------|-----------|---------------------|
| INTERNATI  | ONAL |    |           |           |           |                     |
| (Outgoing) |      |    |           |           |           |                     |
| Calls      |      |    | 639,237   | 822,475   | 948,694   | 15.35               |
| Minutes    | p.e  | •• | 1,970,572 | 2,422,807 | 2,591,763 | 6.97                |
| INLAND     |      |    |           |           |           |                     |
| Calls      |      |    | 221,856   | 274,586   | 333,306   | 21,38               |
| Minutes    |      |    | 540,311   | 702,346   | 869,786   | 23.84               |

TABLE B

### INTERNATIONAL TELEX CIRCUITS

| COUNTRY      |    |   |     |    |    | 1978 | 1979 | 1980 |
|--------------|----|---|-----|----|----|------|------|------|
| AUSTRIA      |    |   |     |    |    | 7    | 10   | 10   |
| BELGIÚM      |    |   | *.* | ** |    | 6    | 8    | 9    |
| FRANCE       |    |   | ••  |    |    | 13   | 13   | 13   |
| GERMANY F.R. |    |   |     |    |    | 11   | 15   | 15   |
| GREECE       |    |   |     |    |    | 25   | 25   | 25   |
| ISRAEL       |    |   |     | ** |    | 8    | 8    | 8    |
| ITALY        | •• |   |     |    |    | 13   | 17   | 17   |
| LEBANON      |    |   | _   |    |    | 7    | 7    | 7    |
| NETHERLANDS  |    |   |     |    | ** | 6    | 7    | 7    |
| SWEDEN       |    |   |     |    |    | 3    | 4    | . 4  |
| SWITZERLAND  |    |   |     |    |    | 12   | 12   | 12   |
| U.K.         |    |   |     |    |    | 43   | 50   | 54   |
| U.S.A. (ITT) |    |   |     |    |    | 4    | 6    | 7    |
| U.S.A. (RCA) |    |   |     |    |    | 4    | 6    | 7    |
| U.S.A. (WUI) |    | - |     |    |    | 6    | 7    | 7    |
| TOTAL        |    |   |     |    |    | 168  | 195  | 202  |

### V. TELEGRAPH SERVICE

The telegraph service is provided through the Nicosia Automatic Message Switching Centre (AMSC) which was directly connected with the following countries:

| Canada        | Israel  |
|---------------|---------|
| F. R. Germany | Lebanon |
| France        | Sweden  |
| Greece        | U.K.    |
| Italy         |         |

The international and inland traffic during the year under review is shown below;

### TELEGRAPH TRAFFIC

| SERVICE       | 1978      | 1979      | 1980      | 1980/79<br>Growth % |
|---------------|-----------|-----------|-----------|---------------------|
| INTERNATIONAL |           |           |           |                     |
| (Outgoing)    |           |           | *, .      |                     |
| Telegrams     | 70,864    | 67,292    | 68,280    | 1.47                |
| Words         | 1,863,147 | 1,703,325 | 1,776,949 | 4,32                |
| INLAND        |           |           |           |                     |
| Telegrams     | 73,743    | 82,969    | 70,623    | -14.88              |
| Words         | 1,348,465 | 1,456,998 | 1,428,380 | -1.96               |

### 4. ADMINISTRATION AND STAFF

### I. TRADE UNIONS - STAFF RELATIONS AND JOINT COMMITTEES

Management/Staff relations throughout the year were amicable and as a result the Authority proceeded undistracted in the application of its projected plans for the provision of an improved and wider service to the public.

Negotiations on staff claims started in 1979, were successfully concluded and a new agreement was signed providing for salary and wage increases of 10% (5% as from 1/1/80 or £83, whichever is the higher, and 5% as from 1/1/81 or £83, whichever is the higher), fringe benefit increases and improved Pension and Provident Fund benefits. (The major improvements in staff conditions of service as per the new agreement are shown as Appendix A. (AGREEMENT).

### II. JOINT CONSULTATIONS

The Authority is vitally interested in all staff matters and staff co-operation to this effect resulted in the satisfactory functioning of Joint Management/Staff Committees as hereunder:-

### 1. Staff Safety and Welfare

### a) Safety

The Authority is promoting the implementation of various measures to reduce accidents in the performance of duty, placing emphasis on inculcation of the safety first principle, promotion of safety education, through inspection of safety factors, wider use of safety tools and investigation of the causes of accidents, and review of measures to prevent recurrence of accidents.

To implement the above policy, the Joint Accidents and Safety Committee took action as detailed hereunder:-

- (i) The "Safety Notice Boards" were properly maintained by the exhibition of Safety Posters for the prevention of accidents.
- (ii) The first aid boxes provided by the Authority were properly maintained with prescribed contents.
- (iii) The Authority's offices and other places of work were regularly inspected and the fire precaution equipment installed on the Authority's premises was properly maintained.
- (iv) All accidents reported during the year were promptly investigated and every effort was made for their reduction to the minimum.

Accidents reported during the year and comparison with the previous year:

|                                      | 1979   | 1980   |
|--------------------------------------|--------|--------|
| Accidents not necessitating          |        |        |
| sick leave                           | 7      | 4(1)*  |
| Accidents necessitating 1 - 3 days   |        |        |
| sick leave                           | 6(1)*  | 6(1)*  |
| Accidents necessitating 4 - 30 days  |        |        |
| sick leave                           | 17(1)* | 16(2)* |
| Accidents necessitating over 30 days |        |        |
| sick leave Fatal accidents           | 3      | 8(2)*  |
| ratal accidents                      |        |        |
|                                      | 33     | 34     |
|                                      |        |        |

- (\* Figures in parenthesis = Traffic accidents to employees proceeding from their residence to the place of work or vice versa).
  - b) Welfare

The Joint Management/Staff Welfare Committee continued its efforts during the year to promote staff welfare. All matters pertaining to the welfare of employees were duly studied. For the implementation of its Safety and Welfare policy, the Authority employs a full time Safety and Welfare Officer.

- (i) The postponed construction of the sizeable Holiday Centre at Pedhoulas will be considered shortly.
- (ii) Christmas presents generously donated by OTE (Greek Telecommunications Organization) were distributed to the children of the employees.
- (iii) Christmas Parties were organized for all employees of the Authority.
- (iv) Government Savings Bonds were distributed to the children of the Authority's employees (upto 12 years of age) and the Fund rendered financial assistance to a number of deserving cases amongst the staff and to families of deceased employees.
- (v) A number of deserving cases were financially assisted.

All the expenses incurred during the year were paid by the Authority through a Welfare Fund, administered by the Welfare Committee.

### 2. Establishment - Promotions - Advancement of Staff

In order to give effect to its personnel policy, the Authority proceeded with the implementation of the existing agreement governing promotions,

confirmation and advancement of staff and to this effect the adhoc committee, which was appointed in accordance with the provisions of the staff rules and regulations, completed its work satisfactorily.

The implementation of the agreement referred to above resulted in the following promotions, confirmations and transfers to other scales:

| Promotions                           | 140 |
|--------------------------------------|-----|
| Various transfers to other scales    | 10  |
| Transfers from W/P to Perm. Staff    | 3   |
| Transfers from Temp. Monthly Paid to |     |
| Permanent Staff                      | 66  |

Comparison of Staff Strength for the Year 1979 - 1980

|  | 1979 | 1980 |
|--|------|------|
|  | 261  | 267  |
| Administration and Accounts              | 1087 | 1207 |
| Engineering                              |      | 136  |
| Telegraph Operating                      | 138  |      |
| Telephone Operating                      | 159  | 155  |
|  | 1645 | 1765 |
|  | 1525 | 1645 |
| Monthly Paid                             |      | 120  |
| Weekly Paid                              | 120  | 1.20 |
|  | 1645 | 1765 |
| Less:                                    | 255  | 255  |
| Turkish employees not attending for duty | 255  | 255  |
|  | 1390 | 1510 |

### 3. Pension and Provident Funds

The Authority's Pension and Provident Funds mentioned hereunder were satisfactorily administered by their respective joint committees:-

- (a) CYTA Permanent Monthly Paid Employees Superannuation Fund.
- (b) CYTA Permanent Monthly Paid Employees Provident Fund.
- (c) Weekly Paid Employees Provident Fund.

### 4. Training

Since the Authority introduces new technologies and provides new services, as a matter of course, it places great emphasis on staff training in order to improve their capabilities. To this effect, the Authority provides training facilities for its personnel to ensure familiarization with new trends, modern equipment and methods. Training is carried out at the Authority's Training School in Nicosia or abroad, at institutions and supplier's establishments.

The Authority, furthermore, encourages all employees to attend external night courses relative to their work by refunding their tuition and examination fees when they succeed in passing the relevant examinations. In addition, the Authority assists its staff to purchase British Post-Office Correspondence Courses and refunds 50% of their cost to those who succeed in the relevant City and Guilds examinations.

The Authority's expenses for training during 1980 amounted to £222,186 against £144,503 in 1979.

Statistical information regarding the training activities during 1980 is given below:-

### (i) Training in CYTA's Training Centre

| (a) Training on Crossbar Exchanges            | 19  | Employees |
|---|-----|-----------|
| (b) Training on Radio Communication           | 1   | 99        |
| (c) Training on External Telecomm. Network    | 80  | 99        |
| (d) Training on Telephone Exchanges Type C23S | 11  | 9.9       |
| (e) Training on Operation on Telecrimp        |     |           |
| Jointing Machine for U/G Cable                | 16  | 99        |
| (f) Training course in "Electronic PABX"      | 6   | .99       |
| (g) Preliminary course for Technicians III    |     |           |
| and Skilled Workmen III                       | 125 | 99        |
| (h) Overhead and underground course for new   |     |           |
| employees (S/W III)                           | 58  | 99        |
| (i) Telephony and Radio course for new        |     |           |
| employees (T/A III)                           | 69  | 22        |

### (ii) Training Abroad

| (a) | Course in Japan in the field of C23S      |   |           |
|-----|---|---|-----------|
|     | Crossbar Exchange                         | 1 | Employee  |
| (b) | Course in U.S.A. on the maintenance of    |   |           |
|     | Collins Receiver Type 85IS-1 and          |   |           |
|     | Collins Control Type HF-8095              | 2 | Employees |
| (c) | Course in the field of C400 Crossbar      |   |           |
|     | Exchange - Tokyo - Japan                  | 1 | 79        |
| (d) | Course in France for Automatic Private    |   |           |
|     | Telephone Exchanges CIT ALCATEL           | 5 | **        |
| (e) | Air-conditioning and Refrigeration course |   |           |
|     | in Japan                                  | 1 | P.P.      |

### (iii) Scholarships

One employee of the Authority's administrative staff, to whom a scholarship was awarded by the Authority for acquiring a B.Sc. degree in Business Administration, continued satisfactorily his studies

during 1980 at the New York Institute of Technology.

### (iv) Introductory Training

It is the policy of the Authority to run introductory theoretical and practical courses for a period of up to two years for all newly recruited technical and skilled personnel at the Authority's Training School, prior to confirmation of their appointment.

### 5. Medical Funds - Medical Treatment - Sick Leave

### (a) Monthly Paid Personnel

All monthly paid employees of the Authority are members of the existing CYTA Medical Fund, which provides medical aid to members at approved rates, in accordance with the rules of the Fund.

The administration of the Fund is carried out by a committee and is financed jointly by its members and the Authority, the employees contributing 1% of their basic salary and COLA and the Authority 2%. In addition special financial assistance amounting to £5,000 has been granted for this year to the Fund by the Authority through the Welfare Fund.

### (b) Weekly Paid Personnel

All regular weekly paid employees are members of the Government Social Security Scheme and enjoy sick leave and medical treatment in accordance with the rules of the scheme.

Membership in the Fund requires a contribution of 1% of the wages of each member. An equal amount is also contributed by the Authority.

### (c) Sick Leave Granted to the Monthly Paid Employees

|                           | 1979 | 1980 |
|---------------------------|------|------|
| Clerical staff            | 904  | 988  |
| Telephone operating staff | 784  | 1042 |
| Telegraph operating staff | 178  | 291  |
| Technical operating staff | 80   | 181  |
| Technical staff           | 1148 | 1582 |
| Skilled staff             | 2535 | 3213 |
| Messengers & Watchmen     | 147  | 515  |
|                           | 5776 | 7812 |

#### Sick Leave Granted to Weekly Paid Employees (d)

The man-days lost in respect of sick leave granted to Weekly Paid Employees during the year 1980 were 542 (247 in 1979).

The cost of man-days lost (except the first day of each period of sick leave granted to employees) is re-imbursed to the Authority by the Government Social Security Scheme, and the total amount reimbursed was £1,735.

### 6. Annual Leave All Staff

Table showing leave entitlement:-

|   |      |    | No. of working day   |        |  |
|---|------|----|----------------------|--------|--|
|   |      |    | 1979                 | 1980   |  |
| Balance brought forward from            |      |    |                      |        |  |
| previous year                           |      |    | 9,275                | 10,015 |  |
| Leave entitlement for the year          |      | ** | 40,129               | 41,622 |  |
|   |      |    | 49,404               | 51,637 |  |
| Leave granted during the year           | ,0,0 | ** | 39,389               | 39,715 |  |
| Balance due to employees                |      | ** | 10,015               | 11,922 |  |
| Retirements Resignations Dismissals etc |      |    | Commence of the last |        |  |

- - a) 25 Employees retired from the Authority's service.
  - 4 Employees resigned from the Authority's service. b)
  - c) 1 Employee was dismissed from the Authority's service. (Termination of services)
  - d) 2 Emlpoyees passed away.

### Recruitments

152 Employees (1 Asst. Chief Accountant, 4 Engineers III, 2 Asst. Admin. Officers, 65 Technicians Grade III, 60 Skilled Workmen Grade III, 2 Draughtsmen Grade III, 3 Watchmen, 3 Messengers, 4 WP Charwomen, 1 WP Cleaner, 1 WP Technical Cleaner, 1 WP Store Labourer and 5 WP Workmen) were recruited during 1980.

### 9. Missing Employees

6 Employees are still missing.

### MAJOR IMPROVEMENT IN STAFF CONDITIONS OF SERVICE AS PER THE NEW AGREEMENT OF 1980

### Salary and Wage Increases

10% Salary and Wage increases (5% as from 1/1/80 or £83.- whichever is the higher and 5% as from 1/1/81 or £83.- whichever is the higher).

### 2. Provident Fund Benefits - Payment of Alternative Benefits in Certain Cases

With effect as from 1/1/80, if a member with not less than 10 years contributing service:

- a) retires or ceases to be a member of the Provident Fund at the completion of normal retiring age or during the 5 years preceding the normal retiring age,
- b) retires meritoriously in accordance with the provisions of the General Staff regulations,
- c) dies during his service,
- d) resigns or his services are terminated as a result of proven health reasons approved by the Authority,

he is entitled to exercise the alternative right and collect, instead of the benefits provided under the rules, an amount equal to 15% of his average monthly earnings (Earnings = Basic salary plus Cost of Living Allowance) during the last 36 months of service for each completed month of contributions with a maximum of 504 completed months.

### 3. Pension Fund Benefits – Improvements of Benefits with Effect as from 1/1/80

- a) Pensionable Salary, means the salary calculated as per the existing rules, or the last monthly salary upon which contributions have been paid, whichever is the greater.
- b) Pension increases. The pensions provided to its members under the rules shall increase according to the Cost of Living Allowance and according to other increases approved from time to time by the Government of the Republic of Cyprus for civil servant pensioners.
- c) Alternative Benefits in Certain Cases. With effect as from 1/1/80, if a member with not less than 10 years contributing service:
- (i) retires within the 5 years preceding the normal retiring age,
- (ii) retires meritoriously in accordance to the provisions of the General Staff regulations,

- (iii) dies during his service,
- (iv) resigns or his services are terminated as a result of proven health reasons approved by the Authority,

he is entitled to exercise the alternative right and collect, instead of the benefits provided under the rules, an amount equal to 15% of his average monthly earnings (Earnings = Basic salary plus Cost of Living Allowance) during the last 36 months of service for each completed month of contributions with a maximum of 504 completed months.

#### 4. Increase on the Allowances of:

- a) Mission b) Transfers c) Drivers d) Bicycle
- e) Compressor f) Cashier g) Charge

### 5. Medical treatment to CY.T.A. Pensioners

CYTA Pensioners are eligible to become members of the existing CYTA Medical Fund in order to enjoy medical treatment at approved rates, in accordance with the rules of the Fund.

### 6. Skilled Workmen's Weekly Hours of Work

The weekly hours of work of skilled workmen have been reduced for 1980 and 1981 to 39 hours during the winter and 38 hours during the summer and as from 1982 will be reduced to 38 and 36 hours respectively.

### 7. 2% of Fringe Benefits

As from the year 1980 the corresponding amount of 2% of fringe benefits which according to the agreement dated 7/11/79 is £58,223, will be used to cover the Group Life Assurance for the Authority's staff.

#### 8. Staff Welfare

The Authority will proceed with the implementation of schemes for the provision of:-

- a) Grants to children of the Authority's personnel for educational purposes.
- b) Student loans.
- c) House accommodation loans.

### 5. COMMONWEALTH TELECOMMUNICATIONS ORGANIZATION (C.T.O.)

The Authority, as in the past years, participated in the various activities of the Commonwealth Telecommunications Organization through the Chairman, Mr. N.S. Roussos, in his capacity as the appointed by the Government Representative on Commonwealth Telecommunications Council, for Cyprus.

During the year of 1980, Commonwealth Telecommunications Council held its 19th annual meeting in Colombo, Sri Lanka, from 2 to 13 June 1980, which was attended by the Representative for Cyprus Mr. N.S. Roussos accompanied by his adviser Mr. A.C. Kritiotis. Apart from the routine examination of the reports submitted by the various Specialist Groups, C.T. Council considered in detail the report prepared by the Committee of Council on Development of Financial Arrangements (CCDFA), set up to study the future of the Organization and its Financial Arrangements. The decision of C.T. Council on this principal issue was two-fold, i.e.

- i) an agreed set of amendments to the CTFA (Commonwealth Telecommunications Financial Arrangements), covering the period from 1.4.1980 to 31.3.1983 and,
- ii) the development of a new scheme for implementation on the 1.4.1983, onwards.

The main element in the agreed amendments was the adoption of the principle that the 50/50 cost-sharing should not be applied in relations where the net flow of cost-support would be in the direction from the less developed to the more developed National Bodies. As a result of this cash-flow restriction, the liability of the Authority was reduced by SDR 294,405 (approx. C£142,500) for the provisional settlements for 1.4.1980 - 31.3.1981 and similar reduction must be expected for the next two years, 1981/82 and 1982/83.

The development of the new scheme, applicable as from 1.4.1983, was entrusted to a Task Force, set up by C.T. Council with members selected on a geographical basis.

The Authority was also represented on the Specialist Groups of C.T. Council by the Chief Engineer, Mr. G.C. Papaioannou (Specialist Group on System Development and on Network Operation), by the Chief Accountant Mr. S. Modestou (Specialist Group on Accounting Arrangements) and by the Assistant Telecommunications Officer, Mr. A.C. Kritiotis (Specialist Group on Marketing and Tariffs). The role of the Specialist Groups appeared to be of less importance during the year under review than in the past, due to the prevailing transitional situation, as well as to the creation of the task Force and of the Working Party on Training and Information Exchange.

### 6. FINANCIAL REPORT

### NET SURPLUS

The growing demand for telecommunication services continued also in 1980. During the year there has been a net addition of 6,300 telephone and 240 telex subscribers.

The above contributed to the increase of the net surplus for the year to £3,659,628 compared with £2,643,415 in 1979.

These surpluses, together with suppliers' credit facility, which the Authority makes full use of when the terms are favourable, provide the finance for the increasing development to satisfy the demand for extended and improved services.

Analytically the results were as follows:

### **OPERATING REVENUE**

The Operating Revenue by service was:-

|                    |     |             |        | 1979       | 1980       | Increase |
|--------------------|-----|-------------|--------|------------|------------|----------|
|                    |     |             |        | 3          | £          | %        |
| Telephone Services |     |             |        | 10,122,094 | 12,335,980 | 21.9     |
| Telegraph Services |     | 2.5         |        | 372,218    | 403,486    | 8.4      |
| Telex Services     | **  | p- <b>4</b> |        | 1,379,771  | 1,609,429  | 16.6     |
| Other Services     | 8,0 | .0.0        | p. 161 | 289,303    | 333,174    | 15.2     |
|                    |     |             |        | 12,163,386 | 14,682,069 | 20.7     |
|                    |     |             |        |            |            |          |

Of the overall 20.7% increase in the Operating Revenue, Telephone Services accounted for 18% and Telex Services for 2%. The main sources were the Overseas Telephone Calls amounting to £6,363,243 (1979 £4,997,132), the Inland Telephone Calls amounting to £4,279,302 (1979 £3,720,487) and the Telex Overseas Calls amounting to £1,196,049 (1979 £1,032,668).

### **OPERATING EXPENSES**

The Operating Expenses were as follows:-

|                      |    |     | 1979<br>£ | 1980<br>£ | Increase<br>% |
|----------------------|----|-----|-----------|-----------|---------------|
| System Operational:- |    |     |           |           | 70            |
| Telephone Services   |    | **  | 4,993,659 | 6,426,310 | 28.7          |
| Telegraph Services   | •• |     | 671,721   | 777,047   | 15.7          |
| Telex Services       |    |     | 466,649   | 569,779   | 22.1          |
| Other Services       |    |     | 339,528   | 410,955   | 21            |
| Establishment        |    | **  | 267,289   | 339,812   | 27.1          |
| Administration       |    | 9.9 | 1,103,595 | 1,422,493 | 28.9          |
|                      |    |     | 7,842,441 | 9,946,396 | 26.8          |
|                      |    |     |           |           |               |

The main items of expenditure that contributed to the overall increase of 26.8% were the Operating Staff Costs by 15.7% (1980 £5,744,375 vs 1979 £4.510,974), the Depreciation by 5.8% (1980 £2,254,769 vs 1979 £1,802,615) and the balance of items by 5.3%.

### FINANCIAL EXPENSES

The reduction in the 1980 financial expenses by £596,773 (1980 £1,406,752 vs 1979 £2,003,525) was mainly due to a provision for loss of materials situated in the occupied areas worth £403,401 and loss of exchange amounting to £103,414 in 1979.

### DEVELOPMENT

The net additions to the fixed assets during the year were £3,937,391 and is arrived at as follows:—

| (i)  | Telecommunications Installations:-        |            |            |
|------|---|------------|------------|
|      | Telephone Exchanges, Line Plant and       |            |            |
|      | Apparatus                                 | £2,570,131 |            |
|      | Telex Exchanges and Apparatus             | 277,068    |            |
|      | Telegraph Plant and Apparatus             | 9,874      |            |
|      | Radio and Repeater Stations               | 201,580    |            |
|      | Satellite Earth Station                   | 92,010     |            |
|      | Sub-marine Cables                         | 352,215    |            |
|      | Purchases of Circuits in Sub-marine Cable |            |            |
|      | Systems of Foreign Administrations        | 6,072      |            |
|      |   |            | 3,508,950  |
|      |   |            |            |
| (ii) | Other Expenditure:-                       | 701 011    |            |
|      | Land and Buildings                        | 701,811    |            |
|      | Motor Vehicles                            | 62,427     |            |
|      | Furniture and Office Equipment            | 47,539     |            |
|      | Tools                                     | 57,127     |            |
|      |   |            | 868,904    |
|      | Total Development                         |            | 4,377,854  |
|      | Less:-                                    |            |            |
|      | Installation and Removal Fees             | 242,381    |            |
| 1 4  | Disposals                                 | 198,082    |            |
|      |   |            | 440,463    |
|      |   |            | £3,937,391 |
|      |   |            |            |

The development was financed from:-

(a) Internal sources (revenue and depreciation) .....

(b) External sources (suppliers' and other credit) ...

2,922,999

1,454,855

£4,377,854

### STORES

The substantial increase of £1,569,456 over 1979 was mainly due to late deliveries by overseas suppliers which resulted in carrying forward for execution in 1981 a considerable part of the Authority's development which was planned for 1980.

### LONG-TERM LIABILITIES

These consist of:-

- (a) £4,854,460 being suppliers' and other credit for equipment and services and are repayable over a period between 2 and 18 years at rates of interest ranging between 3.5% and 9% per annum.
- (b) £1,513,780 representing the Authority's liability to the Staff Superannuation Fund which will be repaid over the next 29 years by equal annual instalments at 5% interest per annum.

### RESERVE FUND

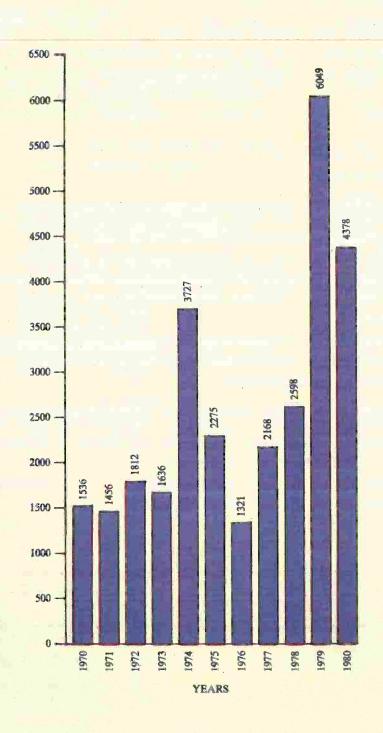
The Reserve Fund as at 31st December, 1980 amounted to £15,653,481 as against £11,982,813 of 31st December, 1979.

### CONTRACTUAL COMMITMENTS

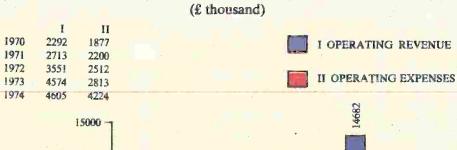
The contractual commitments as at 31st December, 1980, amounted to £12,150,000 (1979 £3,131,000). These include £6,692,000 for the Greece/Cyprus Sub-marine Cable "Apollo" and the balance represents mainly outstanding orders for plant and equipment for development.

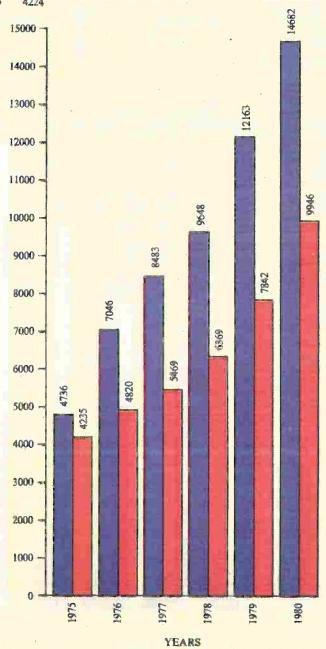
N. S. ROUSSOS Chairman A. N. STYLIANIDES General Manager S. KOKKINIDES
Secretary

## CYPRUS TELECOMMUNICATIONS AUTHORITY TABLE SHOWING CAPITAL EXPENDITURE 1970 - 1980 (£ thousand)



### CYPRUS TELECOMMUNICATIONS AUTHORITY TABLE SHOWING OPERATING REVENUE AND EXPENSES 1975 - 1980

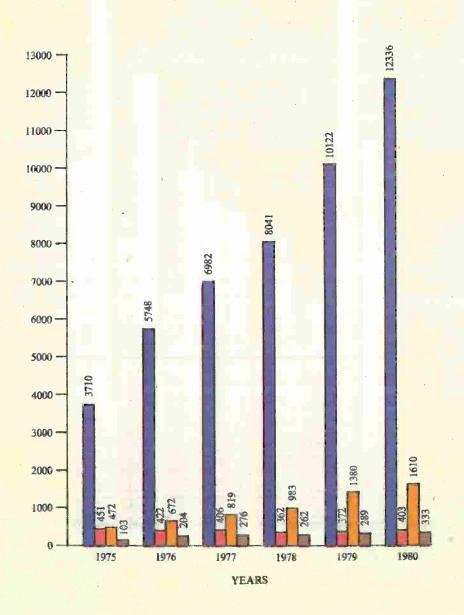




### CYPRUS TELECOMMUNICATIONS AUTHORITY TABLE SHOWING OPERATING REVENUE 1975 - 1980

(£ thousand)

|      | 1    | п   | IH  | ľΨ  |                       | 1  | TELEPHONE REVENUE |
|------|------|-----|-----|-----|-----------------------|----|-------------------|
| 1970 | 1550 | 381 | 154 | 207 | T regions to adoptive |    |                   |
| 1971 | 1890 | 410 | 234 | 179 |                       | 11 | TELEGRAPH REVENUE |
| 1972 | 2665 | 413 | 302 | 181 |                       |    |                   |
| 1973 | 3447 | 471 | 470 | 186 |                       |    | II TELEX REVENUE  |
| 1974 | 3411 | 537 | 521 | 136 |                       | 1. | II TELEA REVENUE  |
|      |      |     |     |     |                       | I  | V OTHER REVENUE   |



### ANNUAL ACCOUNTS 1980

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| Revenue Account                              | 65   |
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| Return on Capital Employed                   | 75   |

### REPORT OF THE AUDITORS

We have audited the annexed Balance Sheet, Revenue Account and the Notes thereon of the Cyprus Telecommunications Authority and have obtained all the information and explanations we considered necessary. In our opinion the Authority has kept proper books of account and the Balance Sheet and Revenue Account are in agreement therewith.

Subject to the reservations contained in Notes 2 and 17, in our opinion the said Accounts, which have been prepared under the historical cost convention, give a true and fair view of the state of affairs of the Authority at 31st December, 1980 and of the surplus for the year ended on that date.

Scottis & Polydorides
Chartered Accountants

6, Kilkis Street, NICOSIA.

19th June, 1981.

### BALANCE SHEET 31st DECEMBER, 1980

|                                       | 1980        | 1979        |
|---------------------------------------|-------------|-------------|
|                                       | £ .         |             |
| Assets                                |             |             |
| Fixed Assets (Notes 1 (b), 2, 3)      | 17,354,745  | 15,561,069  |
| Investments (Note 4)                  | 1,081,305   | 897,821     |
| Long Term Debtors (Note 5)            | 114,890     | 270,762     |
| Current Assets (Note 6)               | 11,439,285  | 8,343,751   |
| Deferred Debits (Note 7)              | 118,092     | 798,61      |
|                                       | £30,108,317 | £25,872,014 |
| Liabilities and Reserve Fund          |             |             |
| Loans and other long term liabilities |             |             |
| Government loans (Note 8)             | 3,053,383   | 3,090,831   |
| Debenture stocks (secured) (Note 9)   | 1,250,000   | 1,250,00    |
| Other long term liabilities (Note 10) | 6,368,240   | 6,032,50    |
|                                       | 19,671,623  | 10,373,34   |
| Current liabilities (Note 11)         | 3,302,096   | 3,020,17    |
| Deferred credits (Note 12)            | 481,117     | 495,68      |
| Total liabilities                     | 14,454,836  | 13,889,29   |
| Reserve fund (Note 13)                | 15,653,481  | 11,982,81   |
|                                       |             |             |

The notes on the Accounts form an integral part of these Accounts.

N. S. Rousses Chairman A. N. Stylianides General Manager S. Modestou Chief Accountant

### REVENUE ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1980

|  | 1980<br>£  | 1979<br>£  |
|--|------------|------------|
| Operating Revenue (Note 14)                          | 14,682,069 | 12,163,386 |
| Deduct:  |            |            |
| Operating Expenses (Note 15)                         | 9,946,396  | 7,842,441  |
| Net operating revenue                                | 4,735,673  | 4,320,945  |
| Add:   |            |            |
| Investment and other income                          | 339,707    | 325,995    |
|  | 5,066,380  | 4.646,940  |
| Deduct:  |            |            |
| Financial and other expenses (Note 16)               | 1,406,752  | 2,003,525  |
|  |            |            |
| Revenue surplus for the year carried to reserve fund | £3.659.628 | £2,643,415 |

The notes on the Accounts form an integral part of these Accounts.

#### ACCOUNTS 1980

#### NOTES ON THE ACCOUNTS

### 1. Accounting Policies

### (a) Basis of accounting

The accounts are prepared under the historical cost convention.

### (b) Fixed assets

Amortisation of leasehold properties is provided so as to write off the cost of these properties by equal annual instalments over the period of the lease. Depreciation on other assets is calculated on a straight line basis at annual rates estimated to write off each asset within its normal useful life. Freehold land is not depreciated.

In respect of additions to fixed assets during a financial period, a full year's depreciation charge is applied and in the case of disposal of fixed assets during a financial period no depreciation charge is applied in that period.

Capital work projects undertaken by the Authority are valued individually at material cost plus an addition for direct labour and other appropriate expenses.

Interest payable on the suppliers' extended credit on the purchase of plant and equipment is not included in the capital cost of the respective asset but is written off to revenue as it arises.

#### (c) Debtors

Known bad debts are written off and specific provision is made for any considered to be doubtful of collection.

### (d) Stores

Stores, which include plant and equipment for current development, are physically verified by continuous stock takings carried out throughout the year; they are valued at cost less provisions for obsolescence and for other possible losses referred to in Note 2.

### (e) Retirement benefits

Liabilities for pension and other retirement benefits are provided by payments to the respective funds which operate independently from the finances of the Authority. Liabilities which relate to past service are being paid, with interest, over a period of years.

### (f) Repairs, renewals and exeavations for the line plant

Expenditure on repairs, renewals and excavations for the line plant is written off in the year in which it is incurred.

### (g) Balances and transactions in foreign currency

Foreign currency balances are translated into Cyprus pounds at the rates of exchange ruling at the end of the financial year. Exchange differences on such translation are dealt with through the reserve fund.

Exchange differences attributable to the purchase of fixed assets for specific projects are capitalised until the completion of the project. Otherwise, exchange differences are dealt with through the Revenue Account only in so far as they are realised.

### (h) Interest payable and/or receivable attributable to subsequent years

Interest payable and/or receivable attributable to subsequent years is deducted from the respective liabilities or receivables.

In respect of interest payable an amount of £499,815 (1979: £864,716) has been deducted from the long term liabilities and £165,993 (1979: £283,766) from the current liabilities. In respect of interest receivable an amount of £17,550 (1979: £36,523) has been deducted from the long term debtors and £6,075 (1979: £15,448) from the debtors included in the current assets.

### 2. Assets in occupied areas

Certain fixed assets and other equipment and materials in stores are situate in the territory occupied by the Turkish invasion forces or in areas to which the Authority, due to present conditions, has no access. Full provision has been made in these Accounts in respect of the equipment and materials in stores for any possible loss of or damage thereto, but no such provision has been made for the fixed assets the value of which cannot, in view of the particular circumstances, be reasonably ascertained; however, on the fixed assets a full year's depreciation is being provided. The Authority is unable to express an opinion as to the present state of the aforesaid fixed assets which in the Balance Sheet are reflected at book values.

| 3. Fixed assets  |             |              | Written     | down value  |
|--|-------------|--------------|-------------|-------------|
| 3. Fixed assets  | Cost 1      | Depreciation | 1980        | 1979        |
|  | £           | £            | £           | £           |
| Freehold land and buildings  | 1,963,029   | 311,261      | 1,651,768   | 1,231,583   |
| Leasehold buildings  | 261,868     | 38,260       | 223,608     | 35,463      |
| Exchanges, telegraph, line plant   |             |              |             |             |
| and apparatus  | 19,711,116  | 11,279,376   | 8,431,740   | 7,409,928   |
| Radio stations   | 1,560,096   | 1,045,414    | 514,682     | 427,436     |
| Satellite earth station  | 1,813,412   | 181,341      | 1,632,071   |             |
| Sub-marine cables  | 2,286,415   | 605,176      | 1,681,239   | 1,802,934   |
| Vehicles, tools and equipment  | 550,837     | 487,295      | 163,542     | 143,179     |
| Office furniture and equipment   | 299,703     | 178,744      | 120,959     | 94,463      |
|  | 28,546,476  | 14,126,867   | 14,419,609  | 11,145,986  |
| Assets under construction  | 2,935,136   |              | 2,935,136   | 4,415,079   |
|  | £31,481,612 | £14,126,867  | £17,354,745 | £15,561,065 |
| 1979:  | £27,544,221 | £11,983,156  | £15,561,065 |             |
| The state of the s |             |              |             |             |

The depreciation of fixed assets for the year ended 31st December, 1980, amounted to £2,254,769 (1979: £1,802,615) and is reflected in the operating expenses.

### 4. Investments

At cost, unquoted:

Trade £127,576 (1979: £105,283). This represents the Authority's investment share in the International Telecommunications Satellite Organisation ('Intelsat'). Under the terms of allotment the Authority is required to make capital contributions, proportionate to its investment share, towards future development projects undertaken by Intelsat.

Other £953,729 (1979: £792,538). Under the terms of issue of the 71/2% Guaranteed debenture stock 1980/82 and 1981/83 the Authority is required to set aside to a sinking fund amounts in order to provide for the redemption thereof. The management of the said sinking fund is vested in the Central Bank of Cyprus.

In the opinion of the Authority the value of the investments is not less than the amount at which they are stated in the Balance Sheet.

### 5. Long term debtors

These are repayable by equal annual instalments till 1987 with interest ranging between  $6-8\,\%$  per annum.

| 6. Current assets                                |            |
|--|------------|
| 1980   | 1979       |
|  | £          |
| Stores (Notes 1 (d), 2) 3,997,129                | 2,427,673  |
| Debtors and other accounts less provisions       |            |
| (Note 1 (c)) 3,213,051                           | 2,757,176  |
| Bank balances and cash in hand 4,229,105         | 3,158,902  |
| €11,439.285                                      | £8,343,751 |
| 7. Deferred debits                               |            |
| 1980   | 1979       |
|  | £          |
| Deficiency in respect of past service retirement |            |
| benefits less amounts written off                | 658,935    |
| Other expenses 118,092                           | 139,680    |
| £118,092   | £798,615   |
| 8. Government loans                              |            |
| o. Government tonus                              |            |
| 1980   | 1979       |
|  | *          |
| 54% Government loan 1969/83 51,527               | 66,863     |
| 53% Government loan 1970/84 55,856               | 67,975     |
| 5% Government loan 1973/87 2,946,000             | 2,956,000  |
| £3,053,383                                       | £3.090,838 |

### 9. Debenture stocks

|                |                         | 1980       | 1979       |
|----------------|-------------------------|------------|------------|
| bu.,           |                         | £          | £          |
| 7½% Guaranteed | debenture stock 1980/82 | 600,000    | 600,000    |
| 7½% Guaranteed | debenture stock 1981/83 | 650,000    | 650,000    |
|                |                         | £1,250,000 | £1,250,000 |
|                |                         |            |            |

The  $7\frac{1}{2}$ % Guaranteed debenture stock 1980/82 is repayable at par on 30th November, 1982 or at the option of the Authority at par at any time between 30th November, 1980 and 30th November, 1982.

The  $7\frac{1}{2}\%$  Guaranteed debenture stock 1981/83 is repayable at par on 31st March, 1983 or at the option of the Authority at par at any time between 31st March, 1981 and 31st March, 1983.

| 10. Other long ter | m liabilities |
|--------------------|---------------|
|--------------------|---------------|

| 10. Other long ester pupilities                   |            |            |
|---|------------|------------|
|   | 1980       | 1979       |
|   | 2          | £          |
| Suppliers and other credits                       | 4,854,460  | 4,468,148  |
| Liabilities in respect of past service retirement |            |            |
| benefits (Note 1 (e))                             | 1,513,780  | 1,564,358  |
|   | £6,368,240 | £6,032,506 |
|   |            |            |
| 11. Current liabilities                           |            |            |
|   | 1980       | 1979       |
|   | 4          |            |
| Creditors and other accounts                      | £3,302,096 | £3,020,170 |
|   |            |            |
| 12. Deferred credits                              |            |            |
|   | 1980       | 1979       |
|   | 6          | £          |
| Rentals and installation fees relating to         |            |            |
| subsequent years                                  | 221,035    | 211,239    |
| Deposits for recoverable works                    | 260,082    | 284,446    |
|   | £481,117   | \$495,687  |
|   |            |            |

| 13. Reserve fur |
|-----------------|
|-----------------|

| 5,208 72,996       | 1980<br>£<br>11,982,813 |   |
|--------------------|-------------------------|---|
| 5,208 72,996       | £                       |   |
| 5,208 72,996       | 11 002 012              |   |
| 1, 1, 1, 1         | 11,704,613              | Balance 1st January, 1980                 |
| 59,628 2,643,415   | 5,208                   | Profit on sale of fixed assets            |
|                    | 3,659,628               | Revenue surplus for year                  |
| 7,649 11,916,854   | 15,647,649              |   |
|                    |                         | Net exchange differences on translation   |
| 5,832 65,959       | 5,832                   | of foreign currency balances (Note 1 (g)) |
| 53,481 £11,982,813 | £15,653,481             |   |
|                    |                         | 14. Operating revenue                     |
| 1980 1979          | 1980                    | THE OPERATING TETELING                    |
|                    | €                       |   |
| 5,980 10,122,094   | 12,335,980              | Telephone services                        |
| 3,486 372,218      | 403,486                 | Telegraph services                        |
| 9,429 1,379,771    | 1,609,429               | Telex services                            |
| 3,174 289,303      | 333,174                 | Other services                            |
| 2,069 £12,163,386  | £14,682,069             |   |
| 1980 1979          | 1980                    | 15. Operating expenses                    |
| 2                  |                         |   |
|                    |                         | System operational:                       |
| 6,310 4,993,659    | 6,426,310               | Telephone services                        |
| 7,047 671,721      | 777,047                 | Telegraph services                        |
| 9,779 466,649      | 569,779                 | Telex services                            |
| 0,955 339,528      | 410,955                 | Other services                            |
| 4,091 6,471,557    | 8,184,091               |   |
| 9,812 267,289      | 339,812                 | Establishment                             |
| 2,493 1,103,595    | 1,422,493               | Administrative                            |
| 6,396 £7,842,441   | £9,946,396              |   |

The staff costs for the year amounted to £6,333,279 (1979: £4,969,914) of which £543,528 (1979: £411,303) have been charged to capital expenditure and £45,376 (1979: £47,637) to recoverable works. The balance of £5,744,375 (1979: £4,510,974) is reflected in the operating expenses.

### 16. Financial and other expenses

| to. Linuiteral wild office expenses                |            |            |
|--|------------|------------|
|  | 1980       | 1979       |
|  | £          | £          |
| Interest on Government loans and debenture stocks  | 248,822    | 250,842    |
| Interest on suppliers' and other credit            | 303,454    | 269,813    |
| Loss on exchange                                   | *******    | 103,414    |
| Interest on liabilities in respect of past service |            |            |
| retirement benefits (Note 1 (e))                   | 81,407     | 84,863     |
| Other interest                                     | 4,246      | 41,957     |
| Authority's Members emoluments and expenses        | 6,110      | 4,635      |
| Amount written off the deficiency in respect of    |            |            |
| past service retirement benefits                   | 657,754    | 658,935    |
| Provision for possible loss of or damage to        |            |            |
| equipment and materials in stores situate in the   |            |            |
| occupied areas                                     |            | 403,401    |
| Other  | 104,959    | 185,665    |
|  | £1,406,752 | £2,003.525 |
|  |            |            |

### 17. Taxation and special contribution

The Authority acting on the basis of the advice of its legal adviser that it has no liability to income tax or special contribution, has made no provision in these Accounts for income tax or for special contribution.

### 18. Contractual commitments

Contractual commitments in respect of capital expenditure as at 31st December, 1980, not provided for in these Accounts, amounted to approximately £12,150,000 (1979: £3,131,000) of which £11,580,000 is payable in foreign currency. Amounts in foreign currency have been converted into Cyprus pounds at the rates of exchange ruling as at 31st December, 1980.

### 19. Contingent liabilities

### (a) Claims

Contingent liabilities in respect of claims against the Authority amounted to approximately £111,000 at 31st December, 1980 (1979: £111,000). No previsions have been made in these Accounts in respect thereof.

### (b) Staff superannuation fund

Under the regulations of the contributory staff superannuation fund, the Authority is liable to make good deficiencies which may be revealed on periodic actuarial valuations of the fund. The last actuarial valuation was made in 1976.

### STATEMENT OF SOURCE AND APPLICATION OF FUNDS

|  | 1980                                      | 1979   |
|--|---|--|
|  |   | 2  |
| SOURCE OF FUNDS  | -5  |  |
| Revenue surplus  | 3,659,628                                 | 2,643,415  |
| Depreciation   | 2,254,769                                 | 1,802,615  |
| Funds generated from operations  | 5,914,397                                 | 4,446,030  |
| Proceeds from sale of fixed assets (net)   | 20,694                                    | 279,623  |
| Deferred accounts and exchange differences   | 671,785                                   | 1,048,736  |
| Increase in creditors  | 617,660                                   | 2,295,003  |
| Funds from other sources   | 1,310,139                                 | 3,623,362  |
| APPLICATION OF FUNDS   | £7,224,536                                | £8,069,392   |
| Additions to fixed assets  | 4,377,854                                 | 5,048,848  |
| Deduct:  |   |  |
| Residual value of fixed assets displaced   | 71.538                                    | 119,315  |
| Installation fees recovered  | 242,381                                   | 213,263  |
|  | 313,919                                   | 332,578  |
|  | 4,063,935                                 | 5,716,270  |
|  |   | The same of the same                                 |
|  | 37,455                                    | 35,962   |
| Repayments towards Government loans<br>Increase in bank balances and cash in hand            |   |  |
| Increase in bank balances and cash in hand<br>Increase in investments                        | 37,455<br>1,070,203<br>183,484            | 1,725,791<br>166,699                                 |
| Increase in bank balances and cash in hand<br>Increase in investments<br>Increase in debtors | 37,455<br>1,070,203<br>183,484<br>300,003 | 1,725,791<br>166,699<br>441,419                      |
| Increase in bank balances and cash in hand<br>Increase in investments                        | 37,455<br>1,070,203<br>183,484            | 35,962<br>1,725,791<br>166,699<br>441,419<br>(16,749 |

### RETURN ON CAPITAL EMPLOYED

|   |        |        | Financ | ial year | s ended | 31st D | ecember |
|---|--------|--------|--------|----------|---------|--------|---------|
|   | 1980   | 1979   | 1978   | 1977     | 1976    | 1975   | 1974    |
|   | £000   | £000   | £900   | £000     | £000    | €000   | £000    |
| Capital employed:                         | 27,990 | 23,317 | 20,004 | 18,584   | 17,377  | 15,930 | 13,159  |
| Annual earnings/                          |        |        |        |          |         |        |         |
| (losses):                                 | 3,660  | 2,643  | 2,203  | 2,240    | 1,382   | (158)  | (215)   |
| Percentage of annual earnings/(losses) on |        |        |        |          |         |        |         |
| capital employed:                         | 13.1%  | 11.3%  | 11.01% | 12.1 %   | 7.9%    | (1.0%) | (1.6%)  |

### Notes:

- 1. Capital employed represents the average of the opening and year-end reserve funds and liabilities.
- 2. Annual earnings/(losses) are stated after the deduction of interest and, for the years 1976-1978, after the deduction of the special contribution.

